

1-1 By: Wentworth S.B. No. 2096  
1-2 (In the Senate - Filed March 13, 2009; March 31, 2009, read  
1-3 first time and referred to Committee on Transportation and Homeland  
1-4 Security; April 14, 2009, reported adversely, with favorable  
1-5 Committee Substitute by the following vote: Yeas 9, Nays 0;  
1-6 April 14, 2009, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 2096 By: Wentworth

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the creation of and the powers of a comprehensive  
1-11 multimodal urban transportation authority, including the power to  
1-12 impose taxes, issue bonds, and exercise limited eminent domain  
1-13 authority.

1-14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-15 SECTION 1. Chapter 451, Transportation Code, is amended by  
1-16 adding Subchapter R to read as follows:

1-17 SUBCHAPTER R. URBAN TRANSPORTATION AUTHORITIES

1-18 Sec. 451.901. DEFINITIONS. (a) In this subchapter:

1-19 (1) "Advanced transportation district" means a  
1-20 district created or operating under Subchapter O.

1-21 (2) "Authority" means a rapid transit authority  
1-22 created or operating under this chapter.

1-23 (3) "Board" means the governing body of an urban  
1-24 transportation authority, except as otherwise provided by this  
1-25 subchapter.

1-26 (4) "Comprehensive advanced transportation" means the  
1-27 design, construction, extension, expansion, improvement,  
1-28 reconstruction, alteration, acquisition, financing, and  
1-29 maintenance of mass transit, light rail, commuter rail, intercity  
1-30 municipal rail, freight rail, fixed guideways, traffic management  
1-31 systems, bus ways, bus lanes, technologically advanced bus transit  
1-32 vehicles and systems, bus rapid transit vehicles and systems,  
1-33 passenger amenities, transit centers, stations, parking facilities  
1-34 and payment mechanisms, sidewalks, bicycle lanes, electronic  
1-35 transit-related information, fare collection and operating  
1-36 systems, high occupancy vehicle lanes, bridges, traffic signal  
1-37 prioritization and coordination systems, monitoring systems,  
1-38 tracks and rail line, switching and signaling equipment, operating  
1-39 equipment, depots, locomotives, rolling stock, maintenance  
1-40 facilities, other real and personal property associated with a rail  
1-41 operation and transit-oriented development, and other  
1-42 comprehensive advanced transportation facilities, equipment,  
1-43 operations, comprehensive transportation systems, and services,  
1-44 including planning, feasibility studies, operations, and  
1-45 professional and other services in connection with those  
1-46 facilities, equipment, operations, comprehensive transportation  
1-47 systems, and services.

1-48 (5) "Comprehensive mobility enhancement" means the  
1-49 design, construction, extension, expansion, improvement,  
1-50 reconstruction, alteration, acquisition, financing, and  
1-51 maintenance of:

1-52 (A) streets, roads, highways, high occupancy  
1-53 vehicle lanes, toll lanes, turnpike projects, pedestrian or bicycle  
1-54 facilities, bridges, grade separations, parking facilities and  
1-55 payment mechanisms, and infrastructure designed to improve  
1-56 mobility;

1-57 (B) traffic signal prioritization and street  
1-58 lighting;

1-59 (C) monitoring systems;

1-60 (D) other mobility enhancement facilities,  
1-61 equipment, systems, and services, including drainage improvements  
1-62 or drainage-related measures reasonable and necessary for the  
1-63 effective use of the transportation facility being constructed or

2-1 maintained;  
2-2 (E) an intermodal hub, air quality improvement  
2-3 initiative, and public utility facility; and  
2-4 (F) a conveyance or acceptance of the exclusive  
2-5 rights to develop tolled infrastructure or other mobility-related  
2-6 assets, including concession fees.  
2-7 (6) "Comprehensive transportation system" means a  
2-8 transportation project or a combination of transportation projects  
2-9 designated as a system by the board of an urban transportation  
2-10 authority.  
2-11 (7) "Construction costs" means the costs of  
2-12 acquisition, construction, reconstruction, improvement,  
2-13 extension, or expansion of a transportation project under this  
2-14 subchapter. The term includes a construction cost as defined by  
2-15 Chapter 370.  
2-16 (8) "Costs" means finance costs and construction  
2-17 costs.  
2-18 (9) "Debt" means a bond, certificate, long-term or  
2-19 short-term note, commercial paper, loan, certificate of  
2-20 participation, agreement with a local government, or any other  
2-21 obligation with a variable or fixed interest rate authorized by  
2-22 this chapter or the constitution or another law of this state. The  
2-23 term includes a credit agreement issued under Chapter 1371,  
2-24 Government Code.  
2-25 (10) "Finance costs" means any fee or expense  
2-26 associated with the financing of a transportation project,  
2-27 including any debt service requirement, capitalized interest,  
2-28 reserve fund requirement, professional or administrative cost, or  
2-29 other cost incurred by or relating to the issuance of debt under  
2-30 this subchapter relating to the design, construction, extension,  
2-31 expansion, improvement, reconstruction, alteration, financing,  
2-32 acquisition, or maintenance of a transportation project.  
2-33 (11) "Regional mobility authority" means a regional  
2-34 mobility authority created or operating under Chapter 370.  
2-35 (12) "Revenue" means revenue available to an urban  
2-36 transportation authority under this subchapter, including any  
2-37 source of taxes or revenue available under Chapter 370 or this  
2-38 chapter, including Subchapter O.  
2-39 (13) "Transportation project" means a comprehensive  
2-40 advanced transportation project or a comprehensive mobility  
2-41 enhancement project.  
2-42 (14) "Urban transportation authority" means an entity  
2-43 that has the powers of an authority, a regional mobility authority,  
2-44 and an advanced transportation district and is created under this  
2-45 subchapter.  
2-46 (b) A word or phrase that is not defined in this subchapter  
2-47 but is defined in Subchapter O has the meaning in this subchapter  
2-48 that is assigned by that subchapter.  
2-49 (c) A word or phrase that is not defined in this subchapter  
2-50 but is defined in Chapter 370 has the meaning in this subchapter  
2-51 that is assigned by that chapter.  
2-52 Sec. 451.902. LIBERAL CONSTRUCTION. This subchapter shall  
2-53 be liberally construed to carry out its purposes. A provision of  
2-54 this subchapter that conflicts with Subchapter A or O or with  
2-55 Chapter 370 shall be construed to grant the broadest power.  
2-56 Sec. 451.903. CREATION OF URBAN TRANSPORTATION AUTHORITY  
2-57 AUTHORIZED. (a) The governing body of an authority in which the  
2-58 principal municipality has a population of more than 700,000 and in  
2-59 the territory of which both an advanced transportation district and  
2-60 a regional mobility authority exist may approve and submit a  
2-61 petition to the governing bodies of the advanced transportation  
2-62 district and the regional mobility authority that seeks consent to  
2-63 the creation of an urban transportation authority under this  
2-64 subchapter.  
2-65 (b) Creation of an urban transportation authority under  
2-66 this subchapter may occur if:  
2-67 (1) the governing body of the principal municipality  
2-68 in the authority and the commissioners court of each county in which  
2-69 the authority is located and in which a sales and use tax is

3-1 collected under this chapter consent to the creation of the urban  
3-2 transportation authority;  
3-3 (2) the governing body of the regional mobility  
3-4 authority consents to the creation of the urban transportation  
3-5 authority;  
3-6 (3) the commissioners court of each county in which  
3-7 the regional mobility authority is located consents to the creation  
3-8 of the urban transportation authority;  
3-9 (4) the governing body of the advanced transportation  
3-10 district consents to the creation of the urban transportation  
3-11 authority; and  
3-12 (5) the commissioners court of each county and the  
3-13 governing body of the principal municipality in which the advanced  
3-14 transportation district is located consent to the creation of the  
3-15 urban transportation authority.  
3-16 (c) The petition of the authority and the consents described  
3-17 in Subsection (b) must:  
3-18 (1) approve the transfer of the assets, liabilities,  
3-19 rights, and obligations of each entity to the urban transportation  
3-20 authority; or  
3-21 (2) make adequate provision therefor by the applicable  
3-22 entity.  
3-23 Sec. 451.904. EFFECT OF CREATION OF URBAN TRANSPORTATION  
3-24 AUTHORITY. (a) An urban transportation authority is created only  
3-25 after the occurrence of the actions required by Section 451.903. On  
3-26 the first day of the calendar month after the month in which the  
3-27 final action required by that section is taken, an urban  
3-28 transportation authority is considered to have been created. The  
3-29 urban transportation authority has the rights, powers, duties, and  
3-30 privileges granted to an authority under this chapter, to an urban  
3-31 transportation authority under this subchapter, to an advanced  
3-32 transportation district under Subchapter O, and to a regional  
3-33 mobility authority under Chapter 370, including the right to plan  
3-34 and develop transportation projects in any county in which the  
3-35 urban transportation authority is located.  
3-36 (b) On the date the urban transportation authority is  
3-37 considered to have been created, the urban transportation authority  
3-38 becomes the successor entity to the authority, the advanced  
3-39 transportation district, and the regional mobility authority. On  
3-40 that date the authority, the advanced transportation district, and  
3-41 the regional mobility authority cease to exist.  
3-42 (c) The urban transportation authority succeeds to and is  
3-43 obligated for all assets, liabilities, rights, and obligations not  
3-44 otherwise provided for of the authority, the advanced  
3-45 transportation district, and the regional mobility authority, on  
3-46 terms and conditions that, upon succession, are no less beneficial  
3-47 to employees than those extant immediately before the creation of  
3-48 the urban transportation authority, including continuation of all  
3-49 rights, privileges, and benefits such as pension rights and  
3-50 benefits, wages, and working conditions, afforded to employees  
3-51 under an existing agreement.  
3-52 Sec. 451.905. POWERS. (a) An urban transportation  
3-53 authority has the powers necessary or convenient to implement this  
3-54 subchapter or to effect a purpose of this subchapter.  
3-55 (b) An urban transportation authority through its board may  
3-56 plan, study, evaluate, design, finance, acquire, construct,  
3-57 maintain, repair, and operate a transportation project,  
3-58 individually or as one or more comprehensive transportation  
3-59 systems.  
3-60 (c) An urban transportation authority has:  
3-61 (1) all of the rights, powers, duties, and privileges  
3-62 granted to an authority by this chapter;  
3-63 (2) all of the rights, powers, duties, and privileges  
3-64 granted to a regional mobility authority by Chapter 370; and  
3-65 (3) all of the rights, powers, duties, and privileges  
3-66 granted to an advanced transportation district by Subchapter O.  
3-67 (d) A right, power, duty, or privilege of an urban  
3-68 transportation authority described in Subsection (c) may be  
3-69 exercised independently or in combination to effect the purposes of

4-1 this subchapter. Except as otherwise provided by this subchapter,  
4-2 in the event of a conflict, the most liberal provision applies.

4-3 (e) In the manner and to the extent that an authority is  
4-4 authorized by this chapter, an urban transportation authority may  
4-5 develop and operate a transit system, set fares and other charges,  
4-6 and develop stations or terminal complexes for the use of the  
4-7 transit system and related right-of-way.

4-8 (f) An urban transportation authority has any right, power,  
4-9 duty, or privilege granted by Chapter 370 to a regional mobility  
4-10 authority that relates to mass transit or a transit system and that  
4-11 is not in conflict with this subchapter.

4-12 (g) An urban transportation authority may impose any kind of  
4-13 tax or fee other than an ad valorem tax, including a sales and use  
4-14 tax. The applicable provisions of this chapter, including  
4-15 Subchapter O, and Chapter 370 apply to the imposition of a fee or  
4-16 tax by the urban transportation authority. If the legislature  
4-17 enacts provisions for local option transportation financing  
4-18 through a transportation finance authority or a centralized  
4-19 transportation finance entity, an urban transportation authority  
4-20 may serve as such an entity.

4-21 (h) An urban transportation authority may develop and  
4-22 operate a turnpike project. The turnpike project must be developed  
4-23 and operated under the provisions of Chapter 370, including any  
4-24 provision relating to the setting of toll rates.

4-25 (i) Unless otherwise provided by this subchapter, the board  
4-26 shall allocate the proceeds of the advanced transportation district  
4-27 sales and use tax in compliance with Subchapter O.

4-28 (j) Unless otherwise provided by this subchapter, an  
4-29 election relating to the sales and use tax or the boundaries of an  
4-30 advanced transportation district is governed by the provisions of  
4-31 Subchapter O relating to such an election of an advanced  
4-32 transportation district.

4-33 (k) An urban transportation authority may create a  
4-34 transportation corporation or local government corporation under  
4-35 Chapter 431.

4-36 (l) An urban transportation authority is a toll project  
4-37 entity and a local toll project entity to the same extent as a  
4-38 regional mobility authority under the provisions of this code.

4-39 (m) In its selection and prioritization of transportation  
4-40 projects, the board shall consider the geographic location of other  
4-41 transportation projects funded by this state or the United States  
4-42 so as to foster geographic equity in the planning and development of  
4-43 the projects.

4-44 Sec. 451.906. NATURE OF URBAN TRANSPORTATION AUTHORITY.

4-45 (a) An urban transportation authority:  
4-46 (1) is a body politic and corporate and a political  
4-47 subdivision of this state;  
4-48 (2) has perpetual succession; and  
4-49 (3) exercises public and essential governmental  
4-50 functions.

4-51 (b) The exercise of a right, power, or privilege granted by  
4-52 this subchapter is for a public purpose and is a matter of public  
4-53 necessity and is, in all respects, for the benefit of the people of  
4-54 the territory in which an urban transportation authority operates  
4-55 and of the people of this state, for the increase of their commerce  
4-56 and prosperity, and for the improvement of their health, living  
4-57 conditions, and public safety.

4-58 (c) An urban transportation authority is a governmental  
4-59 unit under Chapter 101, Civil Practice and Remedies Code. The  
4-60 operations of the urban transportation authority are not  
4-61 proprietary functions for any purpose.

4-62 (d) An urban transportation authority is:  
4-63 (1) a public entity under Section 222.1045; and  
4-64 (2) a governmental agency under Subchapter A, Chapter  
4-65 271, Local Government Code.

4-66 (e) The property, revenue, and income of an urban  
4-67 transportation authority are exempt from state and local taxes.

4-68 Sec. 451.907. GOVERNANCE OF URBAN TRANSPORTATION  
4-69 AUTHORITY; INITIAL BOARD OF DIRECTORS. (a) An urban

5-1 transportation authority is governed by a board of directors. The  
5-2 board consists of:

5-3 (1) five members appointed by the governing body of  
5-4 the principal municipality, with one member designated to represent  
5-5 the interests of the transportation disadvantaged;

5-6 (2) five members appointed by the commissioners courts  
5-7 of the county in which the urban transportation authority is  
5-8 located, or if the urban transportation authority is located in  
5-9 more than one county, jointly appointed by the commissioners courts  
5-10 of those counties;

5-11 (3) two members appointed by a panel composed of the  
5-12 mayors of the municipalities, other than the principal  
5-13 municipality, that are inside the boundaries of the authority and  
5-14 contribute sales and use tax revenue to the authority; and

5-15 (4) one member appointed by the governor.

5-16 (a-1) The members appointed under Subsection (a) shall  
5-17 select by majority vote one member to serve as presiding officer of  
5-18 the board.

5-19 (b) On the creation of the urban transportation authority,  
5-20 the initial board of the urban transportation authority shall be  
5-21 appointed from among the memberships of the governing body of the  
5-22 authority, the governing body of the advanced transportation  
5-23 district, and the governing body of the regional mobility  
5-24 authority, as extant immediately before the urban transportation  
5-25 authority was created.

5-26 (c) The board is responsible for the management, operation,  
5-27 and control of the urban transportation authority and the property  
5-28 of the urban transportation authority.

5-29 (d) A provision of this chapter that is applicable to the  
5-30 governing body of an authority and relates to vacancies, term  
5-31 limitations, residency requirements, compensation, surety bonds,  
5-32 nepotism, financial disclosure, indemnification, insurance, or  
5-33 removal applies to the board.

5-34 (e) Board meetings and actions are governed by the  
5-35 provisions of this chapter that are applicable to the governing  
5-36 body of an authority. Those meetings and actions are not governed  
5-37 by Chapter 370.

5-38 (f) To be eligible to serve as a director, an individual:

5-39 (1) may be a representative of an entity that is also  
5-40 represented on a metropolitan planning organization in the region  
5-41 where the principal municipality is located; and

5-42 (2) may not be:

5-43 (A) an elected official;

5-44 (B) an officer or employee of the department;

5-45 (C) an employee of a county or a municipality,  
5-46 including the principal municipality, that contributes sales and  
5-47 use tax revenue to the urban transportation authority; or

5-48 (D) a person who owns an interest in real  
5-49 property that will be acquired for a transportation project, if it  
5-50 is known at the time of the person's proposed appointment that the  
5-51 property will be acquired for the transportation project.

5-52 Sec. 451.908. PUBLIC ACCESS. An urban transportation  
5-53 authority shall:

5-54 (1) make and implement policies that provide the  
5-55 public with a reasonable opportunity to appear before the board to  
5-56 speak on any issue under the jurisdiction of the urban  
5-57 transportation authority; and

5-58 (2) prepare and maintain a written plan that describes  
5-59 how an individual who does not speak English or who has a physical,  
5-60 mental, or developmental disability may be provided reasonable  
5-61 access to the urban transportation authority's programs.

5-62 Sec. 451.909. STRATEGIC PLANS AND ANNUAL REPORTS. (a) An  
5-63 urban transportation authority shall develop a strategic plan for  
5-64 its operations. Before December 31 of each even-numbered year, the  
5-65 urban transportation authority shall issue a plan that covers the  
5-66 succeeding five fiscal years of the urban transportation authority,  
5-67 beginning with the next odd-numbered fiscal year.

5-68 (b) Not later than March 31 of each year, an urban  
5-69 transportation authority shall file with each county in which the

6-1 urban transportation authority is located, the principal  
 6-2 municipality, and the panel composed of the mayors of the  
 6-3 municipalities in the urban transportation authority that  
 6-4 contribute sales and use tax revenue to the authority, a written  
 6-5 report on the urban transportation authority's activities that  
 6-6 includes a description of anticipated issuances of debt during the  
 6-7 next fiscal year, a description of the financial condition of the  
 6-8 urban transportation authority, schedules for the development of  
 6-9 approved projects, and the status of the urban transportation  
 6-10 authority's performance under the most recent strategic plan.

6-11 (c) Notwithstanding Subsection (b), a failure to identify a  
 6-12 debt issuance or a change in a project development schedule in a  
 6-13 written report does not prevent the issuance of the debt or the  
 6-14 change in the project development schedule, including the  
 6-15 commencement of the operation of a project.

6-16 Sec. 451.910. ESTABLISHMENT OF COMPREHENSIVE  
 6-17 TRANSPORTATION SYSTEM. (a) If the board determines that the  
 6-18 mobility needs of the county or counties in which the urban  
 6-19 transportation authority operates and of the surrounding region  
 6-20 could be most efficiently and economically met by jointly operating  
 6-21 two or more transportation projects as one operational and  
 6-22 financial enterprise, the board may create one or more  
 6-23 comprehensive transportation systems composed of those  
 6-24 transportation projects.

6-25 (b) The board may:

6-26 (1) create more than one comprehensive transportation  
 6-27 system; and

6-28 (2) combine two or more comprehensive transportation  
 6-29 systems into a single comprehensive transportation system.

6-30 (c) An urban transportation authority may finance, acquire,  
 6-31 construct, cross-collateralize, and operate a comprehensive  
 6-32 transportation system if the board determines that:

6-33 (1) the transportation projects could most  
 6-34 efficiently and economically be acquired or constructed as part of  
 6-35 the comprehensive transportation system; and

6-36 (2) the transportation projects will benefit the  
 6-37 comprehensive transportation system.

6-38 Sec. 451.911. ISSUANCE OF DEBT. (a) An urban  
 6-39 transportation authority, or an entity created by the urban  
 6-40 transportation authority for the purposes of issuing debt, by  
 6-41 resolution of the board or the governing body of the entity, as  
 6-42 applicable, may authorize the issuance of debt payable solely from  
 6-43 revenue.

6-44 (b) Debt, any portion of which is payable from taxes, may  
 6-45 not be issued by an urban transportation authority unless the  
 6-46 issuance is authorized by a majority of the votes cast at an  
 6-47 election ordered and held for that purpose.

6-48 (c) Debt issued by an urban transportation authority is  
 6-49 fully negotiable. An urban transportation authority may make the  
 6-50 debt redeemable before maturity at the price and subject to the  
 6-51 terms and conditions provided in the proceedings that authorized  
 6-52 the issuance or in a related legal document.

6-53 (d) Debt issued by an urban transportation authority under  
 6-54 this subchapter may be sold at a public or private sale as  
 6-55 determined by the board to be most advantageous and may have a  
 6-56 maturity of not longer than 50 years.

6-57 (e) Costs attributable to a transportation project that  
 6-58 were incurred before the issuance of debt to finance the  
 6-59 transportation project may be reimbursed from the proceeds of debt  
 6-60 that is subsequently issued.

6-61 Sec. 451.912. TRANSPORTATION PROJECT FINANCING. (a) An  
 6-62 urban transportation authority may exercise the powers of a  
 6-63 regional mobility authority, an authority, and an advanced  
 6-64 transportation district and may issue debt or enter into other  
 6-65 agreements or financial arrangements to pay all or part of the costs  
 6-66 of a transportation project or to refund any debt previously issued  
 6-67 for a transportation project.

6-68 (b) The powers described in Subsection (a) are cumulative  
 6-69 and may be exercised by an urban transportation authority

7-1 independently or in combination to develop, finance, operate, and  
7-2 pay the costs of a transportation project. Subject to other  
7-3 provisions of this subchapter, the urban transportation authority  
7-4 may pledge any revenue available to the urban transportation  
7-5 authority under this subchapter, separately or in combination, for  
7-6 the payment of a debt, agreement, or financial arrangement  
7-7 described by Subsection (a).

7-8 (c) As authorized by Chapter 370 in connection with a  
7-9 regional mobility authority, the department may provide for or  
7-10 contribute to the payment of the costs of a financial or engineering  
7-11 and traffic feasibility study for a transportation project.

7-12 Sec. 451.913. SALES AND USE TAX. (a) When an authority  
7-13 that collects a sales and use tax becomes part of an urban  
7-14 transportation authority:

7-15 (1) the sales and use tax remains subject to the  
7-16 provisions of this chapter that relate to the sales and use tax of  
7-17 an authority; and

7-18 (2) any restriction, covenant, obligation, or pledge  
7-19 attributed to that sales and use tax remains in effect.

7-20 (b) When an advanced transportation district that collects  
7-21 a sales and use tax becomes part of an urban transportation  
7-22 authority:

7-23 (1) the sales and use tax remains subject to the  
7-24 provisions of Subchapter O that relate to the sales and use tax of  
7-25 an advanced transportation district; and

7-26 (2) any restriction, covenant, obligation,  
7-27 allocation, or pledge attributed to that sales and use tax remains  
7-28 in effect until the voters elect to increase, decrease, or  
7-29 otherwise alter the terms of the sales and use tax.

7-30 (c) The allocation of the proceeds of the sales and use tax  
7-31 adopted at the initial election of an advanced transportation  
7-32 district may not be altered unless a proposition for the  
7-33 reallocation is approved by a majority of the votes cast at an  
7-34 election ordered and held for that purpose under this subchapter.

7-35 (d) An urban transportation authority may order a  
7-36 subsequent advanced transportation district sales and use tax  
7-37 election to reallocate the proceeds of the tax or to increase or  
7-38 decrease the rate of the tax collected by the urban transportation  
7-39 authority. An election ordered under this section must be held for  
7-40 one or more transportation projects; the combined rate of all sales  
7-41 and use taxes imposed by the urban transportation authority and all  
7-42 other political subdivisions of this state may not exceed the  
7-43 statutory sales and use tax cap in any location in the urban  
7-44 transportation authority; and the proceeds of the sales and use tax  
7-45 under a subsequent election may be pledged only for:

7-46 (1) transportation project purposes as determined by  
7-47 the board, including debt service requirements, capitalized  
7-48 interest, reserve fund requirements, credit agreements,  
7-49 administrative costs, or other debt-related costs incurred by or  
7-50 relating to the issuance of obligations by the urban transportation  
7-51 authority relating to the purchase, design, construction,  
7-52 extension, expansion, improvement, reconstruction, alteration,  
7-53 financing, and maintenance of an advanced transportation facility,  
7-54 equipment, operations, a comprehensive transportation system, and  
7-55 services, including feasibility studies, operations, and  
7-56 professional or other services in connection with the facility,  
7-57 equipment, operations, system, or services;

7-58 (2) transportation project purposes in the territory  
7-59 of the urban transportation authority as determined by the  
7-60 governing bodies of each participating unit in proportion to the  
7-61 amount of sales and use tax proceeds that were collected in that  
7-62 participating unit; or

7-63 (3) as a local match for, or the local share of, a  
7-64 state or federal grant for transportation project purposes in the  
7-65 territory of the urban transportation authority or in connection  
7-66 with the transfer of money by the department or another entity of  
7-67 this state or the United States under an agreement with a county or  
7-68 municipality or a local government corporation created by a county  
7-69 or municipality under Chapter 431, for transportation project

8-1 purposes in the territory of the urban transportation authority.

8-2 (e) At an election under this section, the ballot shall be  
8-3 prepared to permit voting for or against the proposition: "The  
8-4 imposition of a sales and use tax for comprehensive advanced  
8-5 transportation and comprehensive mobility enhancement in the (name  
8-6 of urban transportation authority), at the rate to be set by the  
8-7 governing body of the urban transportation authority."

8-8 (f) After a favorable subsequent election held under this  
8-9 subchapter, an allocation specified by Subchapter O ceases to be  
8-10 binding.

8-11 Sec. 451.914. USE OF FARE REVENUE. (a) All fare revenue  
8-12 generated by the mass transit operations of the urban  
8-13 transportation authority, other than fare revenue generated by a  
8-14 rail operation, must be dedicated exclusively to the support of  
8-15 mass transit operations.

8-16 (b) Fare revenue generated by a rail operation of the urban  
8-17 transportation authority may be used for any comprehensive advanced  
8-18 transportation or comprehensive mobility enhancement purpose.

8-19 Sec. 451.915. POWERS AND PROCEDURES OF URBAN TRANSPORTATION  
8-20 AUTHORITY IN ACQUIRING PROPERTY. An urban transportation authority  
8-21 has the same powers and may use the same procedures as a regional  
8-22 mobility authority operating under Chapter 370 in acquiring  
8-23 property.

8-24 Sec. 451.916. PUBLIC UTILITY FACILITIES. An urban  
8-25 transportation authority has the same powers and may use the same  
8-26 procedures as a regional mobility authority operating under Chapter  
8-27 370 with regard to public utility facilities.

8-28 Sec. 451.917. TOLL COLLECTION AND VIOLATIONS. An urban  
8-29 transportation authority has the same powers and may use the same  
8-30 procedures as a regional mobility authority operating under Chapter  
8-31 370 with regard to toll collections, transponders, enforcement,  
8-32 violations, and penalties.

8-33 Sec. 451.918. PROJECT DELIVERY. An urban transportation  
8-34 authority may procure, develop, finance, design, construct,  
8-35 maintain, or operate a transportation project using the rights,  
8-36 powers, duties, and privileges that are granted by Chapter 223, by  
8-37 Chapter 370 to a regional mobility authority, or by Subchapter H,  
8-38 Chapter 271, Local Government Code, including a right, power, duty,  
8-39 or privilege associated with:

- 8-40 (1) a construction manager agent;
- 8-41 (2) a construction manager-at-risk;
- 8-42 (3) use of design build;
- 8-43 (4) a pass-through agent; or
- 8-44 (5) a comprehensive development agreement.

8-45 Sec. 451.919. MUNICIPAL TRANSPORTATION REINVESTMENT ZONES.  
8-46 A municipality located in the territory served by an urban  
8-47 transportation authority may:

- 8-48 (1) designate a municipal transportation reinvestment  
8-49 zone under Section 222.106 to promote a transportation project  
8-50 under this subchapter; and
- 8-51 (2) use money deposited to the tax increment account  
8-52 for the reinvestment zone to pay the urban transportation authority  
8-53 for a portion of the costs of the transportation project.

8-54 SECTION 2. This Act takes effect immediately if it receives  
8-55 a vote of two-thirds of all the members elected to each house, as  
8-56 provided by Section 39, Article III, Texas Constitution. If this  
8-57 Act does not receive the vote necessary for immediate effect, this  
8-58 Act takes effect September 1, 2009.

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