

Amend HB 1517 (senate committee report) as follows:

(1) Strike SECTION 1 of the bill (page 1, lines 12-20) and substitute the following:

SECTION 1. Section 542.402, Transportation Code, is amended by amending Subsections (a), (c), and (e) and adding Subsections (b-1), (b-2), (d-1), and (f) to read as follows:

(a) Except as provided by Subsection (b-1), a ~~[A]~~ municipality or county shall use a fine collected for a violation of a highway law in this title to:

(1) construct and maintain roads, bridges, and culverts in the municipality or county;

(2) enforce laws regulating the use of highways by motor vehicles; and

(3) defray the expense of county traffic officers.

(b-1) A county having a population of less than 5,000 may use a fine collected for a violation of a highway law as the county determines appropriate.

(b-2) In each fiscal year, a county having a population of less than 5,000 may retain, from fines collected for violations of this title and from special expenses collected under Article 45.051, Code of Criminal Procedure, in cases in which a violation of this title is alleged, an amount equal to 30 percent of the county's revenue for the preceding fiscal year from all sources, other than federal funds and bond proceeds, as shown by an audit performed under Chapter 115, Local Government Code. After a county has retained that amount, the county shall send to the comptroller any portion of a fine or a special expense collected that exceeds \$1.

(c) The comptroller shall enforce Subsections ~~[Subsection]~~ (b) and (b-1).

(d-1) In a fiscal year in which a county retains from fines and special expenses collected for violations of this title an amount equal to at least 20 percent of the county's revenue for the preceding fiscal year from all sources other than federal funds and bond proceeds, not later than the 120th day after the last day of the county's fiscal year, the county shall send to the comptroller:

(1) a copy of the county's financial statement; and

(2) a report that shows the total amount collected for

that fiscal year from fines and special expenses under Subsection (b-1).

(e) If an audit is conducted by the comptroller under Subsection (c) and it is determined that the municipality or county is retaining more than 20 percent of the amounts under Subsection (b) or (b-1), as applicable, and has not complied with Subsection (d) or (d-1), as applicable, the municipality shall pay the costs incurred by the comptroller in conducting the audit.

(f) A municipality may include the revenue of a utility company operating within the municipality as municipal revenue for a fiscal year under Subsection (b) if:

(1) the municipality has a population of more than 1,000 but less than 1,200; and

(2) part of the municipality's boundary is a river that forms part of the boundary between two counties.

(2) Add the following appropriately numbered SECTION to the bill and renumber the subsequent SECTION accordingly:

SECTION _____. The change in law made by this Act in amending Sections 542.402(c) and (e) and in adding Sections 542.402(b-1) and (d-1) applies only to the fiscal year of a county that begins on or after the effective date of this Act.