

By: Hamilton

H.B. No. 1724

Substitute the following for H.B. No. 1724:

By: Phillips

C.S.H.B. No. 1724

A BILL TO BE ENTITLED

AN ACT

relating to economically driven mobility projects.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter M, Chapter 201, Transportation Code, is amended by adding Section 201.948 to read as follows:

Sec. 201.948. ECONOMICALLY DRIVEN MOBILITY PROJECT ACCOUNT. (a) The economically driven mobility project account is an account in the fund. The account consists of revenue received from projects financed under this section and proceeds from obligations secured by revenue received from those projects. Money in the account may be used only to finance projects authorized under Section 201.943(d) and selected as economically driven using the process and criteria developed under this section.

(b) The department by rule shall develop a process and criteria for project review and selection using established economic principles for evaluating projects.

(c) The review process must evaluate projects based on established commercial economic development standards for evaluating the return on investment.

(d) Project selection criteria must prioritize projects that:

(1) promote economic development, including by creating employment and cash flow;

(2) have sustainable economic value; and

1 (3) enhance mobility and connectivity as opposed to
2 promoting isolated projects.

3 (e) The department shall develop a project application
4 process for local transportation planning entities, including
5 municipalities, counties, metropolitan planning organizations,
6 toll project entities as defined by Section 372.001, and public
7 transportation entities under Subtitle K, to identify projects
8 suitable for funding under this section.

9 (f) The department may contract with local governments or
10 private entities for the construction of selected projects,
11 including construction through pass-through toll agreements under
12 Section 222.104, or may construct projects itself.

13 (g) Revenue from projects financed under this section must
14 be deposited to the credit of the economically driven mobility
15 project account. The department may contract with local
16 governments or directly with private entities, including property
17 owners, who will benefit from a selected project to recover amounts
18 sufficient to cover the cost of the project and any associated debt
19 service for the project. Revenue may include:

20 (1) payments under a project cost participation
21 agreement with a local government or private entity;

22 (2) tax increment recovered from a transportation
23 reinvestment zone; and

24 (3) other revenue derived from the increase of value
25 attributable to a project financed under this section.

26 (h) Motor fuels tax revenue may not be used for the
27 development of a project under this section.

1 SECTION 2. The Texas Department of Transportation shall
2 establish the process and criteria for the selection of
3 economically driven mobility projects as required by Section
4 201.948, Transportation Code, as added by this Act, not later than
5 September 1, 2012.

6 SECTION 3. This Act takes effect September 1, 2011.