

By: Hamilton

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 selection using established economic principles for evaluating projects. To develop the process and criteria for project selection the department shall:

(1) create a new department division that employs economic developers; or

(2) contract with economic development consultants.

(c) Project selection criteria must prioritize projects that:

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

1 (2) have sustainable economic value; and

2 (3) create transportation corridors as opposed to
3 isolated projects.

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

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

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

21 (1) tax increment recovered from a transportation
22 reinvestment zone; and

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

25 SECTION 2. The Texas Department of Transportation shall
26 establish the process and criteria for the selection of
27 economically driven mobility projects as required by Section

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1 201.948, Transportation Code, as added by this Act, not later than
2 September 1, 2012.

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