

1-1 By: McClendon (Senate Sponsor - Zaffirini) H.B. No. 2396
1-2 (In the Senate - Received from the House May 6, 2011;
1-3 May 9, 2011, read first time and referred to Committee on
1-4 Transportation and Homeland Security; May 20, 2011, reported
1-5 adversely, with favorable Committee Substitute by the following
1-6 vote: Yeas 8, Nays 0; May 20, 2011, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 2396 By: Wentworth

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

1-10 relating to the pledge of advanced transportation district sales
1-11 and use taxes to certain bonds.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 451.702, Transportation Code, is amended
1-14 by amending Subsections (a) and (l) and adding Subsection (1-1) to
1-15 read as follows:

1-16 (a) The board of an authority in which the sales and use tax
1-17 is imposed at a rate of one-half of one percent and in which the
1-18 principal municipality has a population of more than 1.3 million
1-19 ~~[700,000]~~ may order an election to create an advanced
1-20 transportation district within the authority's boundaries and to
1-21 impose a sales and use tax for advanced transportation and mobility
1-22 enhancement under this subchapter. If approved at the election,
1-23 the rate of the sales and use tax for advanced transportation and
1-24 mobility enhancement shall be set by the governing body of the
1-25 district at a rate of:

- 1-26 (1) one-eighth of one percent;
- 1-27 (2) one-fourth of one percent;
- 1-28 (3) three-eighths of one percent; or
- 1-29 (4) one-half of one percent.

1-30 (1) Notwithstanding any other provision of this chapter,
1-31 the [The] governing body of a [the] district may, by order or
1-32 resolution, without the necessity of an election specifically
1-33 concerning the matter:

1-34 (1) pledge the sales and use tax proceeds identified
1-35 in Subsection (f) from a sales and use tax imposed by an election
1-36 held under this section after May 21, 1999, to one or more series of
1-37 sales and use tax revenue bonds issued under Subchapter H, subject
1-38 to Subsection (1-1); and

1-39 (2) enter into an agreement or contractual arrangement
1-40 under Subsection (k) [without the necessity of an election].

1-41 (1-1) The governing body of a district may not pledge sales
1-42 and use tax proceeds under Subsection (1) unless the board has
1-43 conducted a public hearing concerning the issuance of the bonds to
1-44 which the proceeds are pledged and published notice of the hearing
1-45 at least 14 days before the date of the hearing in a newspaper of
1-46 general circulation in the principal municipality of the authority.

1-47 SECTION 2. This Act takes effect September 1, 2011.

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