

By: Ogden

S.B. No. 363

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the cessation of tolls by toll project entities in
3 certain circumstances.

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

5 SECTION 1. Section 228.0111(g), Transportation Code, is
6 amended to read as follows:

7 (g) A local toll project entity has the first option to
8 develop, finance, construct, and operate a toll project under the
9 terms and conditions established under Subsection (e). A local
10 toll project entity, other than a regional mobility authority under
11 Chapter 370, has six months after the date that the market valuation
12 is mutually approved under Subsection (f) to decide whether to
13 exercise the option. For a project proposed to be located within
14 the boundaries of a regional mobility authority under Chapter 370,
15 after the market valuation is final under Subsection (f), the
16 metropolitan planning organization for the region in which the
17 project is located shall determine whether the toll project should
18 be developed using the business terms incorporated in the market
19 valuation. If the metropolitan planning organization determines
20 that the toll project should be developed using the business terms
21 in the market valuation, the regional mobility authority has six
22 months after the date the metropolitan planning organization
23 decides whether to exercise the option to develop the project. If
24 a local toll project entity exercises the option with respect to a

1 toll project under this subsection, the local toll project entity,
2 after exercising the option and within two years after the date on
3 which all environmental requirements necessary for the development
4 of the toll project are secured and all legal challenges to
5 development are concluded, must:

6 (1) enter into a contract for the construction of the
7 toll project; and

8 (2) either:

9 (A) commit to make a payment into a toll project
10 subaccount in an amount equal to the value of the toll project as
11 determined by the market valuation, to be used by the department to
12 finance the construction of additional transportation projects in
13 the region in which the toll project is located; or

14 (B) commit to construct, within the period agreed
15 to by the local toll project entity and the department, additional
16 transportation projects in the region in which the toll project is
17 located with estimated construction costs equal to the market
18 valuation of the toll project [~~, or~~

19 [~~(C) for a regional mobility authority under~~
20 ~~Chapter 370, commit to using, for a period to be agreed upon by the~~
21 ~~department and the authority, all surplus revenue from the toll~~
22 ~~project for the purposes authorized by Section 370.174(b) in an~~
23 ~~amount equal to the valuation of the project].~~

24 SECTION 2. Section 228.012(a), Transportation Code, is
25 amended to read as follows:

26 (a) The department shall create a separate account in the
27 state highway fund to hold payments received by the department

1 under a comprehensive development agreement [~~, the surplus revenue~~
2 ~~of a toll project or system,~~] and payments received under Sections
3 228.0111(g)(2) and (i)(2). The department shall create
4 subaccounts in the account for each project, system, or region.
5 Interest earned on money in a subaccount shall be deposited to the
6 credit of that subaccount.

7 SECTION 3. Section 228.053(f), Transportation Code, is
8 amended to read as follows:

9 (f) The revenue and disbursements for each toll project or
10 system shall be kept separately. The revenue from one project may
11 not be used to pay the cost of another project except as authorized
12 by Section [~~Sections~~] 228.0055 [~~and 228.006~~].

13 SECTION 4. Section 228.104(a), Transportation Code, is
14 amended to read as follows:

15 (a) The principal of, interest on, and any redemption
16 premium on bonds issued by the commission under this subchapter are
17 payable solely from:

18 (1) the revenue of the toll project or system for which
19 the bonds are issued, including tolls pledged to pay the bonds;

20 (2) the proceeds of bonds issued for the project or
21 system;

22 (3) the amounts deposited in a debt service reserve
23 fund as required by the trust agreement securing bonds issued for
24 the project or system;

25 (4) amounts received under a credit agreement relating
26 to the project or system for which the bonds are issued; and

27 (5) [~~surplus revenue of another project or system as~~

1 ~~authorized by Section 228.006; and~~

2 [~~6~~] amounts received by the department:

3 (A) as pass-through tolls under Section 222.104;

4 (B) under an agreement with a local governmental
5 entity entered into under Section 228.254;

6 (C) under other agreements with a local
7 governmental entity relating to the project or system for which the
8 bonds are issued; and

9 (D) under a comprehensive development agreement
10 entered into under Section 223.201.

11 SECTION 5. Section 228.105, Transportation Code, is amended
12 to read as follows:

13 Sec. 228.105. SOURCES OF PAYMENT OF AND SECURITY FOR TOLL
14 REVENUE BONDS. Notwithstanding any other provisions of this
15 subchapter, toll revenue bonds issued by the commission may:

16 (1) be payable from and secured by:

17 (A) payments made under an agreement with a local
18 governmental entity as provided by Section 228.254;

19 (B) the proceeds of bonds issued for the toll
20 project or system; or

21 (C) amounts deposited in a debt service reserve
22 fund as required by the trust agreement securing bonds issued for
23 the project or system; ~~or~~

24 [~~(D) surplus revenue of another toll project or~~
25 ~~system as authorized by Section 228.006,~~] and

26 (2) state on their faces any pledge of revenue or taxes
27 and any security for the bonds under the agreement.

1 SECTION 6. Section 366.113(a), Transportation Code, is
2 amended to read as follows:

3 (a) The principal of, interest on, and any redemption
4 premium on bonds issued by an authority are payable solely from:

5 (1) the revenue of the turnpike project or system for
6 which the bonds are issued, including tolls pledged to pay the
7 bonds;

8 (2) payments made under an agreement with the
9 commission or a local governmental entity as provided by Subchapter
10 G;

11 (3) money derived from any other source available to
12 the authority, other than money derived from a turnpike project
13 that is not part of the same system or money derived from a
14 different system~~[, except to the extent that the surplus revenue of~~
15 ~~a turnpike project or system has been pledged for that purpose];~~
16 and

17 (4) amounts received under a credit agreement relating
18 to the turnpike project or system for which the bonds are issued.

19 SECTION 7. Section 370.113(a), Transportation Code, is
20 amended to read as follows:

21 (a) The principal of, interest on, and any redemption
22 premium on bonds issued by an authority are payable solely from:

23 (1) the revenue of the transportation project for
24 which the bonds are issued;

25 (2) payments made under an agreement with the
26 commission, the department, or other governmental entity as
27 provided by Subchapter G;

1 (3) money derived from any other source available to
2 the authority, other than money derived from a transportation
3 project that is not part of the same system or money derived from a
4 different system, except to the extent that the surplus revenue of a
5 transportation project or system, other than a turnpike project,
6 has been pledged for that purpose; and

7 (4) amounts received under a credit agreement relating
8 to the transportation project for which the bonds are issued.

9 SECTION 8. Subchapter B, Chapter 372, Transportation Code,
10 is amended by adding Section 372.054 to read as follows:

11 Sec. 372.054. CESSATION OF TOLLS. A toll project becomes a
12 part of the state highway system and the commission shall maintain
13 the project without tolls when the costs of acquisition and
14 construction of the project have been paid and:

15 (1) all of the bonds and interest on the bonds that are
16 payable from or secured by revenues of the project have been paid by
17 the issuer of the bonds or another person with the consent or
18 approval of the issuer; or

19 (2) a sufficient amount for the payment of all bonds
20 and interest on the bonds to maturity has been set aside by the
21 issuer of the bonds or another person with the consent or approval
22 of the issuer in a trust fund held for the benefit of the
23 bondholders.

24 SECTION 9. The following provisions of the Transportation
25 Code are repealed:

26 (1) Section 228.006;

27 (2) Section 228.109(d);

1 (3) Sections 284.008(c) and (d);

2 (4) Section 366.003(9-a);

3 (5) Section 366.037; and

4 (6) Section 366.175.

5 SECTION 10. This Act takes effect immediately if it
6 receives a vote of two-thirds of all the members elected to each
7 house, as provided by Section 39, Article III, Texas Constitution.
8 If this Act does not receive the vote necessary for immediate
9 effect, this Act takes effect September 1, 2011.