

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: McClendon

H.B. No. 2396

A BILL TO BE ENTITLED

AN ACT

relating to the pledge of advanced transportation district sales and use taxes to certain bonds.

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

SECTION 1. Sections 451.702(a) and (1), Transportation Code, are amended to read as follows:

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

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

(1) Notwithstanding any other provision of this chapter, the [The] governing body of a [the] district may without the necessity of an election specifically concerning the matter:

- (1) pledge the sales and use tax proceeds identified

1 in Subsection (f) from a sales and use tax imposed by an election  
2 held under this section after May 21, 1999, to one or more series of  
3 sales and use tax revenue bonds issued under Subchapter H; and

4 (2) enter into an agreement or contractual arrangement  
5 under Subsection (k) [~~without the necessity of an election~~].

6 SECTION 2. This Act takes effect September 1, 2011.

ADOPTED

MAY 23 2011

*Atty. Gen. Paul*  
Secretary of the Senate

By: Zafircini

H.B. No. 2396

Substitute the following for \_\_\_B. No. \_\_\_\_\_:

By: Wentworth

C.S. \_\_\_B. No. \_\_\_\_\_

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the pledge of advanced transportation district sales  
3 and use taxes to certain bonds.

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

5 SECTION 1. Section 451.702, Transportation Code, is amended  
6 by amending Subsections (a) and (1) and adding Subsection (1-1) to  
7 read as follows:

8 (a) The board of an authority in which the sales and use tax  
9 is imposed at a rate of one-half of one percent and in which the  
10 principal municipality has a population of more than 1.3 million  
11 [~~700,000~~] may order an election to create an advanced  
12 transportation district within the authority's boundaries and to  
13 impose a sales and use tax for advanced transportation and mobility  
14 enhancement under this subchapter. If approved at the election,  
15 the rate of the sales and use tax for advanced transportation and  
16 mobility enhancement shall be set by the governing body of the  
17 district at a rate of:

- 18 (1) one-eighth of one percent;  
19 (2) one-fourth of one percent;  
20 (3) three-eighths of one percent; or  
21 (4) one-half of one percent.

22 (1) Notwithstanding any other provision of this chapter,  
23 the [The] governing body of a [the] district may, by order or  
24 resolution, without the necessity of an election specifically

1 concerning the matter:

2           (1) pledge the sales and use tax proceeds identified  
3 in Subsection (f) from a sales and use tax imposed by an election  
4 held under this section after May 21, 1999, to one or more series of  
5 sales and use tax revenue bonds issued under Subchapter H, subject  
6 to Subsection (l-1); and

7           (2) enter into an agreement or contractual arrangement  
8 under Subsection (k) [~~without the necessity of an election~~].

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

15           SECTION 2. This Act takes effect September 1, 2011.

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 23, 2011**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB2396** by McClendon (Relating to the pledge of advanced transportation district sales and use taxes to certain bonds.), **As Passed 2nd House**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** JOB, SD, KJG, JB

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 19, 2011**

**TO:** Honorable Tommy Williams, Chair, Senate Committee on Transportation & Homeland Security

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB2396** by McClendon (Relating to the pledge of advanced transportation district sales and use taxes to certain bonds.), **Committee Report 2nd House, Substituted**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** JOB, KJG, JB

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 10, 2011**

**TO:** Honorable Tommy Williams, Chair, Senate Committee on Transportation & Homeland Security

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE:** HB2396 by McClendon (Relating to the pledge of advanced transportation district sales and use taxes to certain bonds.), **As Engrossed**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** JOB, KJG, JB

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**April 19, 2011**

**TO:** Honorable Larry Phillips, Chair, House Committee on Transportation

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB2396** by McClendon (Relating to the pledge of advanced transportation district sales and use taxes to certain bonds.), **Committee Report 1st House, Substituted**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** JOB, KJG, JB



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**April 1, 2011**

**TO:** Honorable Larry Phillips, Chair, House Committee on Transportation

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB2396** by McClendon (Relating to the issuance of bonds by an advanced transportation district.), **As Introduced**

**No fiscal implication to the State is anticipated.**

The bill would amend the Transportation Code to authorize an advanced transportation district created under Subchapter O to issue bonds without holding an election to authorize the action.

The governing body of the district would be authorized to use the proceeds for a debt service requirement, capitalized interest, reserve fund requirement, credit agreement, administrative cost, or other bond-related cost incurred by or relating to the issuance of obligations by the district relating to the purchase, design, construction, reconstruction, alteration, financing, and maintenance of advanced transportation facilities, equipment, operations, systems, and services, including a feasibility study, operation, or professional or other service in connection with the facilities.

**Local Government Impact**

There would be a savings to a district if an election was not required to issue bonds; however, the amount is not anticipated to be significant. Based on costs reported to the Secretary of State (SOS) in 2010 by a sampling of counties, municipalities, and special districts, the average cost incurred by a local governmental entity for an election is \$1.98 per registered voter.

**Source Agencies:**

**LBB Staff:** JOB, KJG, TP