

**House Bill 2396**  
Senate Amendments  
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Sections 451.702(a) and (l), 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 in Subsection (f) from a sales and use tax imposed by an election held under this section after May 21, 1999, to one or more series of sales and use tax revenue bonds issued under Subchapter H; and

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

SENATE VERSION (CS)

SECTION 1. Section 451.702, Transportation Code, is amended by amending Subsections (a) and (l) and adding Subsection (l-1) 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, by order or resolution, without the necessity of an election specifically concerning the matter:

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

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

(l-1) The governing body of a district may not pledge sales and use tax proceeds under Subsection (l) unless the board has conducted a public hearing concerning the issuance of the bonds to which the proceeds are pledged and published notice

CONFERENCE

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of the hearing at least 14 days before the date of the hearing in a newspaper of general circulation in the principal municipality of the authority.

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

SECTION 2. Same as House version.