# **BILL ANALYSIS**

C.S.H.B. 2743 By: Phillips Transportation Committee Report (Substituted)

## BACKGROUND AND PURPOSE

Regional mobility authorities are locally controlled entities created by local governments under the Transportation Code, with approval of the Texas Transportation Commission, that have the authority to develop a wide variety of transportation projects. Interested parties note that regional mobility authorities often provide services to other such authorities to avoid duplicating certain administrative functions. This practice is cost-effective, efficient, and is particularly valuable for newly created regional mobility authorities, which have no taxing authority and may not have funds to pay for certain initial expenses. Since these authorities often have expertise in developing projects, these entities may be called upon to assist other governmental entities with developing projects.

C.S.H.B. 2743 clarifies the ability of regional mobility authorities to work with each other and with other local governments to implement projects and addresses other actions that these authorities are authorized to take.

## **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

## ANALYSIS

C.S.H.B. 2743 amends the Transportation Code, in a provision authorizing a regional mobility authority to perform any function not specified in applicable state law to promote or develop a transportation project, to specify that such projects are those that the authority is authorized to develop or operate under that state law and to remove the conditions that the performance of such a function be requested by the Texas Transportation Commission and that the project be in the authority's area of jurisdiction.

C.S.H.B. 2743 adds to the actions that a regional mobility authority is authorized to take under an arrangement relating to a transportation project to include the acquisition, maintenance, and repair of such a project on behalf of another governmental entity and removes the specification that an authority enters into such an agreement with a governmental entity. The bill adds that an authority is only authorized to enter into such an agreement if the transportation project is located in the authority's area of jurisdiction or a county adjacent to the authority's area of jurisdiction; if the project is being acquired, planned, constructed, designed, operated, repaired, or maintained on behalf of the Texas Department of Transportation (TxDOT) or another toll project entity; or if the project is not located in those areas, TxDOT approves the acquisition, planning, construction, design, operation, repair, or maintenance of the project by the authority and such an action is not being taken on behalf of TxDOT. The bill removes a provision authorizing an authority to enter into a contract or agreement with TxDOT under which the authority will plan, develop, operate, or maintain such a project on behalf of TxDOT. The bill prohibits statutory provisions relating to regional mobility authorities from being construed to restrict the ability of an authority to enter into an agreement under the Interlocal Cooperation Act with another governmental entity located anywhere in Texas.

C.S.H.B. 2743 adds to the actions a regional mobility authority is authorized to take relating to a transportation project in a county that is part of the authority, a county in Texas that is not part of the authority, or a county in another state or the United Mexican States to include studying, evaluating, designing, financing, and repairing such a project. The bill authorizes an authority to take these actions on a transportation project in a county in Texas that is not a part of the authority if the county and authority enter into an agreement under statutory provisions authorizing an arrangement with a governmental entity or TxDOT. The bill removes other conditions imposed on such an authority.

C.S.H.B. 2743, in a provision authorizing a regional mobility authority to enter into an agreement with one or more persons to provide, on terms and conditions approved by the authority, personnel and services to design, construct, operate, maintain, expand, enlarge, or extend a transportation project, specifies the condition that the project be owned or operated by the authority.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 2743 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

### INTRODUCED

#### HOUSE COMMITTEE SUBSTITUTE

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No equivalent provision.	SECTION 1. Section 370.003(14),
	Transportation Code, is amended to read as
	follows:
	(14) "Transportation project" means:
	(A) a turnpike project;
	(B) a system;
	(C) a passenger or freight rail facility,
	including:
	(i) tracks;
	(ii) a rail line;
	(iii) switching, signaling, or other operating
	equipment;
	(iv) a depot;
	(v) a locomotive;
	(vi) rolling stock;
	(vii) a maintenance facility; and
	(viii) other real and personal property
	associated with a rail operation;
	(D) a roadway with a functional
	classification greater than a local road or
	rural minor collector;
	(D-1) a bridge;
	(E) a ferry;
	(F) an airport, other than an airport that on
	September 1, 2005, was served by one or
	more air carriers engaged in scheduled

SECTION 1. Sections 370.033(c) and (f), Transportation Code, are amended to read as follows:

(c) An authority may[<del>, if requested by the commission,</del>] perform any function not specified by this chapter to promote or develop a transportation project [in the authority's area of jurisdiction].

(f) An authority and a governmental entity may enter into a contract, agreement, interlocal agreement, or other similar arrangement under which the authority may acquire, plan, design, construct, <u>maintain</u>, <u>repair</u>, or operate a transportation project on behalf of the governmental entity, <u>regardless of whether the project is located</u> in the authority's area of jurisdiction. interstate transportation, as those terms were defined by 14 C.F.R. Section 1.1 on that date;

(G) a pedestrian or bicycle facility;

(H) an intermodal hub;

(I) an automated conveyor belt for the movement of freight;

(J) a border crossing inspection station;

(K) an air quality improvement initiative;

(L) a public utility facility;

(M) a transit system;

(M-1) a parking area, structure, or facility, or a collection device for parking fees;

(N) if applicable, projects and programs listed in the most recently approved state implementation plan for the area covered by the authority, including an early action compact; [and]

(O) improvements in a transportation reinvestment zone designated under Subchapter E, Chapter 222<u>; and</u>

(P) port security, transportation, or facility projects eligible for funding under Section 55.002.

SECTION 2. Section 370.033, Transportation Code, is amended by amending Subsections (c) and (f) and adding Subsections (f-1) and (r) to read as follows:

(c) An authority may[, if requested by the commission,] perform any function not specified by this chapter to promote or develop a transportation project that the authority is authorized to develop or operate under this chapter [in the authority's area of jurisdiction].

(f) An authority [and a governmental entity] may enter into a contract, agreement, interlocal agreement, or other similar arrangement under which the authority may acquire, plan, design, construct, <u>maintain</u>, <u>repair</u>, or operate a transportation project on behalf of <u>another [the]</u> governmental entity if:

(1) the transportation project is located in the authority's area of jurisdiction or in a county adjacent to the authority's area of jurisdiction;

(2) the transportation project is being acquired, planned, constructed, designed, operated, repaired, or maintained on behalf of the department or another toll project entity, as defined by Section 372.001; or
(3) for a transportation project that is not

13.101.714

An authority may enter into a contract or agreement with the department under which the authority will <u>acquire</u>, plan, <u>construct</u>, develop, operate, <u>repair</u>, or maintain a transportation project on behalf of the department[<del>, subject to the</del> transportation project being in the authority's area of jurisdiction].

A contract or agreement under this subsection may contain terms and conditions as may be approved by an authority, including payment obligations of the governmental entity and the authority.

SECTION 2. Section 370.161, Transportation Code, is amended.

SECTION 3. Section 370.181(b), Transportation Code, is amended.

SECTION 4. This Act takes effect immediately if it receives a vote of twothirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013. described by Subdivision (1) or (2), the department approves the acquisition, planning, construction, design, operation, repair, or maintenance of the project by the authority.

(f-1) [An authority may enter into a contract or agreement with the department under which the authority will plan, develop, operate, or maintain a transportation project on behalf of the department, subject to the transportation project being in the authority's area of jurisdiction.]

A contract or agreement under <u>Subsection (f)</u> [this subsection] may contain terms and conditions as may be approved by an authority, including payment obligations of the governmental entity and the authority. (r) This chapter may not be construed to

restrict the ability of an authority to enter into an agreement under Chapter 791, Government Code, with another governmental entity located anywhere in this state.

SECTION 3. Same as introduced version.

SECTION 4. Same as introduced version.

SECTION 5. Same as introduced version.