

BILL ANALYSIS

C.S.H.B. 3664
By: Darby
Appropriations
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Some advocates for transportation funding argue that the state should reduce its reliance on voter authorized transportation bonds and move to a pay-as-you-go system, with the argument arising from increasing debt service payments that take up more and more state highway funds. C.S.H.B. 3664 seeks to remedy this situation by raising revenue specifically dedicated to funding nontolled roadways and paying down the state's transportation debt and seeks to limit the Texas Department of Transportation's use of the funds for comprehensive development agreements.

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. 3664 amends the Transportation Code to require proceeds deposited to the credit of the state highway fund from the collection of certain vehicle registration fees attributable to the portion of the applicable rates of those fees that exceed the rates in effect on August 31, 2013, to be applied in the following manner: one-third dedicated to the payment of voter authorized transportation-related state debt that existed on September 1, 2013, until that debt is retired, with the remaining amount used only for acquiring rights-of-way and planning, designing, and constructing nontolled improvements to the state highway system. The bill requires the Texas Department of Transportation (TxDOT) to comply with statutory provisions relating to subcontracting opportunities for historically underutilized businesses when entering into a contract using any of that remaining amount for planning, designing, or constructing nontolled improvements to the state highway system.

C.S.H.B. 3664 removes a provision limiting the amount of money disbursed by TxDOT from the state highway fund and the Texas mobility fund during a federal fiscal year to pay the costs under comprehensive development agreements and instead prohibits TxDOT from committing such funds during a state fiscal year to pay the costs under comprehensive development agreements unless TxDOT has in place a plan to contract for TxDOT projects with the private sector in the fiscal year in a minimum amount of \$4 billion, to spend in the fiscal year a minimum amount of \$400 million for private sector engineering services to advance projects to be let directly by TxDOT, and to spend in the fiscal year a minimum amount of \$250 million in right-of-way acquisition for projects to be let directly by TxDOT. The bill prohibits amounts spent by TxDOT for routine maintenance of a project from being included for the purposes of determining such amounts.

C.S.H.B. 3664 increases from \$30 to \$60 the yearly registration fee for a motorcycle or moped; from \$50.75 to \$80.75 the yearly registration fee of a vehicle with a gross weight of 6,000 pounds or less; and from \$45 to \$75 the yearly registration fee for a trailer, travel trailer, or semitrailer with a gross weight of 6,000 pounds or less. The bill increases by \$54 the yearly registration fee for a vehicle with a gross weight of 6,001 to 10,000 pounds and by \$60 the

yearly registration fees for vehicles with gross weights between 10,001 and 80,000 pounds.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3664 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

SECTION 1. This Act shall be known as the "Transportation Reinvestment Act."

SECTION 2. Subchapter A, Chapter 222, Transportation Code, is amended by adding Section 222.0015 to read as follows:

Sec. 222.0015. USE OF CERTAIN MONEY IN STATE HIGHWAY FUND.

(a) This section applies only to the following money deposited to the credit of the state highway fund from all proceeds from the collection of registration fees under Sections 502.251, 502.252, 502.253, and 502.254 attributable to the portion of the applicable rates of those fees that exceed the rates in effect on August 31, 2013; and

(b) Notwithstanding any other law, money described by Subsection (a) shall be utilized in the following manner:

(1) one-third dedicated to the payment of existing voter authorized transportation debt until such debt is retired; and

(2) the remaining amount may be used only for acquiring rights-of-way and planning, designing, and constructing nontolled improvements to the state highway system.

SECTION 3. Section 223.202, Transportation Code, is amended.

SECTION 4. Section 502.251, Transportation Code, is amended.

HOUSE COMMITTEE SUBSTITUTE

No equivalent provision.

SECTION 1. Subchapter A, Chapter 222, Transportation Code, is amended by adding Section 222.0015 to read as follows:

Sec. 222.0015. USE OF CERTAIN MONEY IN STATE HIGHWAY FUND.

(a) This section applies only to the proceeds deposited to the credit of the state highway fund from the collection of registration fees under Sections 502.251, 502.252, 502.253, and 502.254 attributable to the portion of the applicable rates of those fees that exceed the rates in effect on August 31, 2013.

(b) Notwithstanding other law, of the money described by Subsection (a):

(1) one-third shall be dedicated to the payment of voter-authorized transportation-related state debt that existed on September 1, 2013, until that debt is retired; and

(2) the remainder may be used only for acquiring rights-of-way and planning, designing, and constructing nontolled improvements to the state highway system.

(c) The department shall comply with Section 2161.252, Government Code, when entering into a contract using any money described by Subsection (a) for planning, designing, or constructing nontolled improvements to the state highway system.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.

SECTION 5. Section 502.252, Transportation Code.

SECTION 6. Section 502.253, Transportation Code, is amended.

SECTION 7. Section 502.254(a), Transportation Code, is amended.

SECTION 8. This Act take effect September 1, 2013.

SECTION 4. Substantially the same as introduced version.

SECTION 5. Same as introduced version.

SECTION 6. Same as introduced version.

SECTION 7. Substantially the same as introduced version.