

By: Watson

S.B. No. 1794

A BILL TO BE ENTITLED

AN ACT

relating to a transportation revolving fund for certain metropolitan planning organizations.

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

SECTION 1. Subchapter D, Chapter 472, Transportation code, is amended by adding Section 472,036 to read as follows:

Sec.472.036.Transportation Revolving Fund.

(a) A metropolitan planning organization with a planning jurisdiction of at least five counties, the largest of which has authorized a regional mobility authority under Chapter 370 of this code, may establish a revolving fund held in a banking institution selected by the metropolitan planning organization.

(b) A revolving fund may be funded with state and federal transportation money, local contributions, or other revenue of the metropolitan planning organization.

(c) Money in the revolving fund may be loaned or granted to cities, counties, the State of Texas, regional mobility authorities, rail districts, or metropolitan transit authorities, within the planning jurisdiction of the metropolitan planning organization to pay expenses of planning, developing, acquiring right of way, constructing, implementing, and maintaining transportation projects approved by the metropolitan planning organization.

(i) Money borrowed or granted under this section must

1 be segregated from other funds under the control of the authorized
2 public entity and may only be used for purposes authorized by the
3 metropolitan planning organization.

4 (d) Prior to establishing a revolving fund, the
5 metropolitan planning organization shall do the following:

6 (i) Ensure there are sufficient funds to carry out its
7 other required state and federal regional planning functions;

8 (ii) Allocate sufficient funds to hire financial and
9 other expertise to operate the revolving fund; and

10 (iii) Adopt guidelines to evaluate applications for
11 loans and grants pursuant to this section.

12 (e) A revolving fund created pursuant to this section shall
13 be held in a depository selected by the metropolitan planning
14 organization using the provisions of chapter 116, Texas Local
15 Government Code or invested pursuant to the Public Funds Investment
16 Act.

17 (f) The board of directors of the metropolitan planning
18 organization may direct the with drawl of any funds deposited in the
19 revolving fund that are not immediately required to pay obligations
20 of the revolving fund unless such and investment or with drawl is
21 prohibited by law or the with drawl is contrary to the terms of the
22 depository contract.

23 (i) The funds may be invested in accordance with
24 Subchapter A, Chapter 2256, Government Code. In addition to the
25 obligations, certificates, and agreements described by that Act,
26 the funds may be invested in certificates of deposit issued by a
27 state or federal savings and loan association domiciled in this

1 state, the payment of which is insured in full by the Federal
2 Savings and Loan Insurance Corporation or its successor.

3 (ii) If a metropolitan planning organization
4 purchases a security repurchase agreement, the agreement must be
5 purchased under a master contractual agreement that specifies the
6 rights and obligations of both parties and that requires that
7 securities involved in the transaction be held in a safekeeping
8 account subject to the control and custody of the metropolitan
9 planning organization.

10 Section 2. This Act takes effect September 1, 2013.