

BILL ANALYSIS

Senate Research Center

H.B. 122
By: Pickett (Nichols)
Transportation
4/23/2015
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Voters authorized the creation of the Texas Mobility Fund (TMF) in 2001, establishing it within the treasury of the State of Texas, and authorizing the Texas Transportation Commission (TTC) to administer it. As authorized by the voters, the legislature established the TMF to provide a method of financing the construction, reconstruction, acquisition, and expansion of state highways, including the costs of any necessary design and costs of acquisition of rights-of-way.

TMF may also be used to provide participation by the Texas Department of Transportation (TxDOT) in the payment of all or a portion of the costs of constructing and providing publicly owned toll roads and other public transportation projects.

Therefore, should the revenue and money dedicated to and on deposit in the TMF be insufficient to make payments due on TMF bonds and other obligations, there is appropriated from the State Treasury an amount that is sufficient to make payments due on such bonds and other obligations. The maximum maturity for bonds in this program is 30 years.

As of the end of fiscal year 2014, the Bond Review Board had authorized the issuance of \$7.39 billion in TMF bonds.

H.B.122 prohibits TTC from issuing obligations for certain highway and mobility projects under the Texas Mobility Fund after January 1, 2015. The bill removes the prohibition against TTC from issuing those obligations if TTC or TxDOT requires toll roads to be included in a regional mobility plan for a local authority to receive an allocation from the fund.

H.B. 122 amends current law relating to the Texas Mobility Fund.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 201.943(a) and (l), Transportation Code, as follows:

(a) Authorizes the Texas Transportation Commission (TTC) by order or resolution, subject to Subsections (e), (f), (g), and (l), to issue obligations in the name and on behalf of the state and the Texas Department of Transportation (TxDOT) and to enter into credit agreements related to the obligations. Makes a nonsubstantive change. Makes no further change to this subsection.

(l) Prohibits obligations, except as otherwise provided by this subsection, from being issued under this section or Section 49-k (Texas Mobility Fund), Article III (Legislative Department), Texas Constitution, after January 1, 2015. Authorizes TTC to issue obligations to refund:

(1) outstanding obligations to provide savings to the state; and

(2) outstanding variable rate obligations and may renew or replace credit agreements relating to the variable rate obligations.

Deletes existing text prohibiting obligations from being issued if TTC or TxDOT requires that toll roads be included in a regional mobility plan in order for a local authority to receive an allocation from the fund.

SECTION 2. Amends Section 201.946(d), Transportation Code, as follows:

(d) Authorizes TTC, to the extent money is on deposit in the fund in amounts that are in excess of the money required by the proceedings authorizing the obligations and credit agreements to be retained on deposit, to use the money for any purpose for which obligations may be issued under this subchapter, other than for toll roads.

SECTION 3. Effective date: upon passage or September 1, 2015.