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H.B. No. 13

A BILL TO BE ENTITLED

AN ACT

relating to categories of and funding allocation for transportation projects by the Texas Department of Transportation and local transportation entities.

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

SECTION 1. Subchapter P, Chapter 201, Transportation Code, is amended by adding Sections 201.9901 and 201.9902 to read as follows:

Sec. 201.9901. DEFINITIONS. In this subchapter:

(1) "Planning organization" means:

(A) a metropolitan planning organization; or

(B) for an area that is not within the boundaries of a metropolitan planning organization, the department district that serves the area.

(2) "Region" means the area for which a planning organization develops plans under this subchapter.

(3) "Transportation official" means an official in a political subdivision who has responsibility for planning and implementation of transportation projects.

Sec. 201.9902. UPDATE TO TRANSPORTATION FUNDING CATEGORIES AND ALLOCATION FORMULAS. (a) Not later than October 1, 2015, the commission shall initiate a process to review the categories and formulas adopted under Sections 201.991(b)(2) and 201.996.

(b) The review process must include an effort by the

1 department to seek the collective input of all planning
2 organizations in the state. The department shall convene meetings
3 as necessary to facilitate discussions among planning
4 organizations that will result in a consensus recommendation among
5 a majority of the planning organizations as to updated funding
6 categories and funding allocation formulas.

7 (c) Not later than May 1, 2016, the commission shall adopt
8 rules implementing updated funding categories and funding
9 allocation formulas. To the extent that the adopted categories or
10 funding allocation formulas differ from the consensus
11 recommendations of the planning organizations, the commission must
12 provide a detailed written explanation for the differences. The
13 explanation must be made available on the department's Internet
14 website.

15 (d) This section expires September 1, 2017.

16 SECTION 2. Subchapter P, Chapter 201, Transportation Code,
17 is amended by adding Sections 201.9911, 201.9921, 201.9931, and
18 201.9932 to read as follows:

19 Sec. 201.9911. PLANNING ORGANIZATION 10-YEAR PLAN. (a)
20 Each planning organization shall develop a 10-year transportation
21 plan for the use of the funding allocated to the region. The
22 department shall assist the planning organizations by providing in
23 a timely manner such information as is reasonably requested by the
24 planning organizations.

25 (b) The plan must identify the items described by Section
26 201.9921(b) as applicable to the planning organization and the
27 funding of transportation projects in the region.

1 (c) The first four years of the plan shall be developed to
2 meet the transportation improvement plan requirements of 23 U.S.C.
3 Section 134 or 135, as applicable.

4 (d) For an area that is not within the boundaries of a
5 metropolitan planning organization, the department district shall
6 develop the 10-year transportation plan with input from municipal
7 and county elected officials and transportation officials in the
8 region.

9 Sec. 201.9921. TEN-YEAR CASH FLOW PROJECTION. (a) Not
10 later than September 1 of each odd-numbered year, the department's
11 chief financial officer shall prepare and publish a cash flow
12 forecast for a period of not less than 10 years.

13 (b) The forecast must identify:

14 (1) the aggregate amount of all sources of funding
15 available for eligible transportation projects;

16 (2) the amount previously committed to eligible
17 transportation projects based on actions of the commission;

18 (3) the amount not committed to projects but that the
19 department anticipates allocating during the forecast period
20 through formulas adopted under Section 201.996; and

21 (4) the sources of all funds projected to be available
22 during the forecast period, including bond proceeds, and an
23 estimation of debt service payments associated with the bond
24 proceeds.

25 (c) The first two years of the forecast must be based on the
26 appropriation of funds in the General Appropriations Act for the
27 department for that biennium.

1 Sec. 201.9931. PLANNING ORGANIZATION PROJECT SELECTION AND
2 PRIORITIZATION. (a) Each planning organization shall select
3 projects in its region and prioritize them using the criteria
4 developed under Section 201.9932.

5 (b) For an area not located within the boundaries of a
6 metropolitan planning organization, the applicable department
7 district shall select projects and prioritize them with input from
8 municipal and county elected officials and transportation
9 officials using the criteria developed under Section 201.9932.

10 (c) The department shall compile the project selections of
11 the planning organizations to develop the statewide transportation
12 plan in accordance with 23 U.S.C. Section 135.

13 Sec. 201.9932. PROJECT SELECTION CRITERIA. Each planning
14 organization shall develop its own project selection criteria,
15 which must include consideration of:

- 16 (1) projected improvements to congestion and safety;
17 (2) projected effects on economic development
18 opportunities for residents of the region;
19 (3) available funding, including locally generated
20 funding;
21 (4) effects on the environment, including air quality;
22 (5) socioeconomic effects; and
23 (6) any other factors deemed appropriate by the
24 planning organization.

25 SECTION 3. Section 201.996, Transportation Code, is amended
26 by adding Subsection (d) to read as follows:

27 (d) The commission may not consider transferring funds

1 between categories by any method outside the established formulas
2 or allocating funds subject to the discretion of the commission
3 unless:

4 (1) the commission considers the transfer or
5 allocation at a regularly scheduled commission meeting; and

6 (2) the department presents to the commission a
7 written explanation of the transfer, including the need and
8 justification for the deviation from the formula allocation or use
9 of discretionary funds, at a regularly scheduled commission meeting
10 held in the month before the meeting described by Subdivision (1).

11 SECTION 4. Subchapter P, Chapter 201, Transportation Code,
12 is amended by adding Section 201.9961 to read as follows:

13 Sec. 201.9961. USE OF ADDITIONAL REVENUE AND BOND PROCEEDS
14 FOR CERTAIN PROJECTS. (a) If money from the general revenue fund
15 or state highway fund is appropriated to the department for the
16 state fiscal biennium beginning September 1, 2015, in an amount
17 that exceeds the appropriation from those funds to the department
18 for the previous fiscal biennium, or if a constitutional amendment
19 providing additional money to the department is adopted, the
20 commission may use the additional money to finance projects that
21 would otherwise be financed using proceeds from:

22 (1) the sale and issuance of bonds and other public
23 securities secured by the state highway fund under Section 49-n,
24 Article III, Texas Constitution, as proposed by H.J.R. 28, 78th
25 Legislature, Regular Session, 2003; or

26 (2) general obligation bonds issued under Section
27 49-p, Article III, Texas Constitution.

1 (b) The commission shall determine whether the unused
2 proceeds from bonds described by Subsection (a) may be used to
3 finance projects, in addition to those allocated funding under
4 Section 201.996, that reduce congestion, increase capacity, reduce
5 tolls, or promote safety. The commission shall adopt rules
6 establishing criteria for projects to be considered eligible for
7 financing under this subsection.

8 (c) Not later than the 30th day before the date the
9 commission authorizes the use of money under this section, the
10 commission shall hold a public meeting to consider that
11 authorization.

12 (d) This section expires September 1, 2017.

13 SECTION 5. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2015.