By: Pickett

H.B. No. 13

A BILL TO BE ENTITLED 1 AN ACT 2 relating to the funding and operations of the Texas Department of 3 Transportation and local transportation entities. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Sections 201.943(a) and (1), Transportation 5 Code, are amended to read as follows: 6 7 Subject to Subsections (e), (f), [and] (g), and (1), the (a) commission by order or resolution may issue obligations in the name 8 and on behalf of the state and the department and may enter into 9 credit agreements related to the obligations. The obligations may 10 be issued in multiple series and issues from time to time in an 11 12 aggregate amount not exceeding the maximum obligation amount. The obligations may be issued on and may have the terms and provisions 13 14 the commission determines appropriate and in the interests of the

15 state. The obligations may be issued as long-term obligations, 16 short-term obligations, or both. The latest scheduled maturity of 17 an issue or series of obligations may not exceed 30 years.

(1) Obligations may not be issued <u>under this section or</u>
Section 49-k, Article III, Texas Constitution, after August 31,
<u>2015</u> [if the commission or the department requires that toll roads
be included in a regional mobility plan in order for a local
authority to receive an allocation from the fund]. This subsection
expires August 31, 2017.

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SECTION 2. Section 222.003, Transportation Code, is amended

1 by adding Subsections (1) and (m) to read as follows: 2 (1) Bonds or other public securities may not be issued under this section or Section 49-n, Article III, Texas Constitution, as 3 proposed by H.J.R. 28, 78th Legislature, Regular Session, 2003, 4 5 after August 31, 2015. This subsection expires August 31, 2017. 6 (m) The commission may use any constitutionally allowable 7 source of funding to supplant funding previously obligated under this section or Section 49-n, Article III, Texas Constitution, as 8 proposed by H.J.R. 28, 78th Legislature, Regular Session, 2003. 9 10 This subsection expires August 31, 2017. 11 SECTION 3. Section 222.004, Transportation Code, is amended 12 by adding Subsections (j) and (k) to read as follows: (j) Bonds may not be issued under this section or Section 13 49-p, Article III, Texas Constitution, after August 31, 2015. This 14 15 subsection expires August 31, 2017. 16 (k) The commission may use any constitutionally allowable 17 source of funding to supplant funding previously obligated under this section or Section 49-p, Article III, Texas Constitution. This 18 19 subsection expires August 1, 2017. SECTION 4. Section 201.809, Transportation Code, is amended 20 by adding Subsections (e) through (j) to read as follows: 21 (e) The department shall develop and implement, and the 22 commission shall approve, a performance-based planning 23 and 24 programming process dedicated to providing the executive and legislative branches of government with indicators that quantify 25 26 and qualify progress toward attaining all department goals and objectives established by the legislature and the commission. 27

H.B. No. 13 (f) The department shall develop and implement performance 1 2 metrics and performance measures as part of: (1) the review of strategic planning in the statewide 3 transportation plan, metropolitan transportation plans, rural 4 5 transportation plans, and unified transportation program; 6 (2) the evaluation of decision-making on projects selected for funding in the unified transportation program and 7 8 statewide transportation improvement program; and 9 (3) the evaluation of project delivery for projects in the department's letting schedule. 10 (g) The department shall use and the commission shall review 11 12 performance metrics and measures to: (1) assess how well the transportation system is 13 14 operating; 15 (2) provide the department, legislature, 16 stakeholders, and public with information to support decisions; 17 (3) assess the effectiveness and efficiency of transportation projects and service delivery; and 18 19 (4) demonstrate transparency and accountability. (h) The department shall develop and implement, and the 20 21 commission shall approve, specific performance metrics and measures for sustainable objectives, including: 22 23 (1) congestion reduction; 24 (2) safety enhancements; 25 (3) expansion of economic opportunity; 26 (4) preservation of the value of existing 27 transportation assets;

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1	(5) cost efficiency of the department's operations;
2	(6) project procurement, delivery, and final cost; and
3	(7) enhancements in public participation in the
4	infrastructure planning process.
5	(i) The requirement for the department to develop and
6	implement a performance-based planning and programming process
7	does not replace or alter the requirement of the department to
8	comply with the budgetary performance measures for each biennium as
9	established in the General Appropriations Act. The department may
10	not rely on its requirement to report budgetary performance
11	measures as satisfying the requirements imposed under this section.
12	(j) The department shall develop and implement monthly and
13	annual reporting schedules for all performance metrics and measures
14	required under this section.
15	SECTION 5. Subchapter P, Chapter 201, Transportation Code,
16	is amended by adding Sections 201.999 and 201.9991 to read as
17	follows:
18	Sec. 201.999. PRIORITIZATION OF PROJECTS BY LOCAL
19	TRANSPORTATION ENTITIES AND DEPARTMENT DISTRICTS. (a) The
20	department shall work with all local transportation entities in the
21	state to develop and adopt uniform guidelines governing the funding
22	prioritization of the entities' transportation projects.
23	(b) The department shall recommend to the commission
24	uniform guidelines to be adopted under Subsection (a) and
25	implemented by all local transportation entities and department
26	districts.
27	(c) In making recommendations under Subsection (b), the

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1	department shall consider:
2	(1) the time frame in which a project is needed;
3	(2) the feasibility of a project, including the
4	availability of rights-of-way, funding support, and the ability to
5	plan, design, and construct the project in a reasonable period of
6	time;
7	(3) the viability of a project, including whether the
8	project is a comprehensive solution with a measurable outcome; and
9	(4) all criteria established by the commission for
10	prioritization of projects.
11	(d) In prioritizing projects, each local transportation
12	entity and department district shall include projects that meet
13	short-term and long-term needs of the entity's jurisdiction.
14	(e) The commission shall by rule adopt uniform standards
15	established under this section.
16	(f) Using the uniform standards established under this
17	section, each local transportation entity and department district
18	shall submit to the department the funding prioritization for
19	transportation projects in the entity's jurisdiction.
20	Sec. 201.9991. PRIORITIZATION OF PROJECTS BY DEPARTMENT AND
21	APPROVED BY COMMISSION. (a) The department shall prioritize and the
22	commission shall approve projects included in the unified
23	transportation program in order to provide financial assistance
24	under this chapter.
25	(b) The department shall establish and the commission shall
26	approve an overall performance-based process for setting category
27	funding levels in the department's unified transportation program.

1	The department shall consider a zero-based budget approach to
2	address safety, maintenance, congestion, connectivity, economic
3	development, and other needs.
4	(c) The department shall establish and the commission shall
5	approve a point system for prioritization of projects for which
6	financial assistance is sought from the commission. The project
7	evaluation criteria must take into consideration the department's
8	strategic goals as approved by the commission. The system must
9	include a standard for the department to apply in determining how to
10	take into account the diverse needs of the state so as to fairly
11	allocate funding to all regions of the state.
12	(d) The department may not recommend and the commission may
13	not approve a deviation from the department's selection of projects
14	for funding of more than 10 percent of the current biennial budget
15	of the department.
16	(e) In awarding points to projects, the department shall
17	give priority to projects that:
18	(1) address safety, maintenance, congestion
19	mitigation, and connectivity;
20	(2) provide assistance to urban and rural populations;
21	(3) provide regional balance;
22	(4) meet a high percentage of the infrastructure needs
23	<u>of a community;</u>
24	(5) have available funding;
25	(6) are able to begin without significant delay; and
26	(7) include public participation in the planning
27	process and public support for the project.

1	(f) In addition to criteria under Subsection (e), in
2	prioritizing projects the department shall consider:
3	(1) the local contribution to be made to construct the
4	project;
5	(2) the financial capacity of the entity responsible
6	for the project to repay the obligation if the assistance is in the
7	form of a loan;
8	(3) the ability to timely leverage state financial
9	support with local and federal funding;
10	(4) whether there is an emergency need for the
11	<pre>project;</pre>
12	(5) whether all preliminary planning and design work
13	associated with the project necessary to reasonably predict cost,
14	construction period, and benefits of the project have been
15	<pre>completed;</pre>
16	(6) whether all rights-of-way and easements necessary
17	to begin construction have been acquired or approved;
18	(7) the start date for and certainty of the beginning
19	of project construction;
20	(8) the demonstrated or projected impact on the
21	community; and
22	(9) the priority given the project by the applicable
23	local transportation entity under Section 201.999.
24	SECTION 6. This Act takes effect immediately if it receives
25	a vote of two-thirds of all the members elected to each house, as
26	provided by Section 39, Article III, Texas Constitution. If this
27	Act does not receive the vote necessary for immediate effect, this

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1 Act takes effect September 1, 2015.