By: Simmons

H.B. No. 2685

	A BILL TO BE ENTITLED
1	AN ACT
2	relating to the operations of and transportation planning and
3	expenditures by the Texas Department of Transportation and local
4	transportation entities.
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
6	SECTION 1. Chapter 201, Transportation Code, is amended by
7	adding Subchapter C-1 to read as follows:
8	SUBCHAPTER C-1. ADVISORY COMMITTEES
9	Sec. 201.151. STATE INFRASTRUCTURE ADVISORY COMMITTEE. (a)
10	In this section, "advisory committee" means the state
11	infrastructure advisory committee.
12	(b) The state infrastructure advisory committee is composed
13	of the following six members:
14	(1) three members of the senate appointed by the
15	lieutenant governor, including:
16	(A) a member of the committee having primary
17	jurisdiction over matters relating to finance; and
18	(B) the chair of the committee having primary
19	jurisdiction over transportation; and
20	(2) three members of the house of representatives
21	appointed by the speaker of the house of representatives,
22	including:
23	(A) a member of the committee having primary
24	jurisdiction over matters relating to appropriations; and

	H.B. No. 2685
1	(B) the chair of the committee having primary
2	jurisdiction over transportation.
3	(c) The following persons shall serve as staff support for
4	the advisory committee:
5	(1) a member of the senior staff of the department,
6	designated by the director, who has management-level
7	responsibility for the design, implementation, and ongoing review
8	of project selection criteria for transportation infrastructure
9	projects;
10	(2) a member of the senior staff of the department,
11	designated by the director, who has management-level
12	responsibility for the funding and financing of transportation
13	infrastructure projects;
14	(3) a member of the senior staff of the department,
15	designated by the director, who has management-level
16	responsibility relating to the department's policies on innovation
17	and strategy;
18	(4) a member of the staff of the internal auditor of
19	the department, designated by the commission; and
20	(5) the support staff of the commission.
21	(d) A member of the advisory committee serves at the will of
22	the person who appointed the member.
23	(e) The chairs of the committees of the house of
24	representatives and senate having primary jurisdiction over
25	transportation serve as co-presiding officers of the advisory
26	committee.
27	(f) The advisory committee may hold public hearings, formal

1	meetings, or work sessions called by either co-presiding officer of
2	the committee at any time. The advisory committee may not take
3	formal action at a public hearing, formal meeting, or work session
4	unless a quorum of the committee is present.
5	(g) Except as otherwise provided by this subsection, a
6	member of the advisory committee is not entitled to receive
7	compensation for service on the committee. Service on the advisory
8	committee is considered legislative service for which a member of
9	the advisory committee is entitled to reimbursement and other
10	benefits in the same manner and to the same extent as for other
11	legislative service.
12	(h) The advisory committee shall submit a report to the
13	commission regarding transportation funding, project selection,
14	and financing matters for use by the commission. The report must
15	include an assessment of and recommendations on:
16	(1) department rules and policies regarding the
17	preparation for and allocation of construction funding for projects
18	involving commission discretion under the department's unified
19	transportation program;
20	(2) department rules and policies regarding the
21	development and implementation of performance-based scoring and
22	decision-making for project prioritization and selection;
23	(3) all available programs or funds for providing
24	financing for projects included in the unified transportation
25	program, including guidelines for the ongoing use of each program
26	or fund that has been authorized by the legislature;
27	(4) the use of and lending practices related to the

1	Texas Mobility Fund;
2	(5) performance metrics and measurement tools used by
3	the department to evaluate the performance of a department project
4	<u>or program;</u>
5	(6) the department's collaboration with state elected
6	officials, local governments, government trade associations,
7	metropolitan planning organizations, regional mobility
8	authorities, and other entities when adopting rules or formulating
9	policies;
10	(7) the department's innovation and technology
11	projects and programs, including information technology projects
12	and technology advances in construction, maintenance, traffic
13	management, and motor vehicles;
14	(8) the department's safety and maintenance projects
15	and programs, including projects and programs related to energy
16	sector roads and bridges; and
17	(9) the overall operation, function, and structure of
18	the department and the commission.
19	(i) This subsection and Subsection (h) expire September 1,
20	2017.
21	(j) The advisory committee may advise and make
22	recommendations to the department and commission on any matter at
23	any time, including regarding information to be posted on the
24	department's Internet website.
25	(k) The advisory committee may adopt policies and
26	procedures as needed to implement this section and its
27	responsibilities.

(1) On the recommendation of the advisory committee, the 1 2 department shall enter into a contract with an independent firm for a forensic audit of the actions of the department or commission in 3 an area of interest determined by the advisory committee, including 4 procurement procedures, information technology practices, toll 5 operations, organizational structure, methods of funding or 6 7 financing of projects, organizational transparency, external 8 communications, and project selection. (m) Chapter 2110, Government Code, does not apply to the 9 10 advisory committee. The advisory committee is subject to Chapter 325, 11 (n) 12 Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the committee is abolished and this 13 14 section expires September 1, 2025. 15 Sec. 201.152. STAKEHOLDER ADVISORY COMMITTEES. (a) The commission shall establish one or more stakeholder advisory 16 17 committees to make recommendations to the commission or department before the adoption of a rule, policy, or procedure affecting the 18 19 stakeholders. An advisory committee has the purposes, powers, and duties prescribed by the commission. 20 21 (b) Chapter 2110, Government Code, does not apply to a stakeholder advisory committee established under this section. 22 (c) The commission shall appoint to each stakeholder 23 24 advisory committee persons who: 25 (1) are selected from a list provided by the director; 26 (2) have knowledge about and interests in the work of 27 the advisory committee being established; and

	H.B. No. 2685
1	(3) represent a broad range of viewpoints on the work
2	of the advisory committee being established.
3	(d) A stakeholder advisory committee must include a member
4	of the public if appropriate and beneficial.
5	(e) A member of a stakeholder advisory committee may not be
6	compensated by the commission or the department for service on the
7	advisory committee.
8	(f) The meetings of a stakeholder advisory committee must be
9	made accessible to the public in person or through electronic
10	means.
11	SECTION 2. Subchapter H, Chapter 201, Transportation Code,
12	is amended by adding Sections 201.6016 and 201.6017 to read as
13	follows:
14	Sec. 201.6016. PRIORITIZATION OF PROJECTS BY LOCAL
15	TRANSPORTATION ENTITIES AND DEPARTMENT DISTRICTS. (a) The
16	department shall work with all local transportation entities in the
17	state to develop and adopt uniform guidelines governing the funding
18	prioritization of the entities' transportation projects.
19	(b) The commission, in consultation with department staff,
20	shall establish a project selection stakeholders advisory
21	committee that represents diverse interests in the state. The
22	committee is composed of:
23	(1) the presiding officer of the governing body or a
24	person designated by the presiding officer of at least:
25	(A) 10 metropolitan planning organizations; and
26	(B) 3 regional mobility authorities; and
27	(2) 10 department district engineers.

H.B. No. 2685 1 (c) The project selection stakeholders advisory committee shall review proposed guidelines from each local transportation 2 entity and recommend to the department uniform guidelines to be 3 adopted under Subsection (a) and implemented by all local 4 5 transportation entities and department districts. 6 (d) In making recommendations under Subsection (c), the 7 project selection stakeholders advisory committee shall consider: 8 (1) the time frame in which a project is needed; (2) the feasibility of a project, including the 9 availability of rights-of-way, funding support, and the ability to 10 plan, design, and construct the project in a reasonable period of 11 12 time; (3) the viability of a project, including whether the 13 14 project is a comprehensive solution with a measurable outcome; 15 (4) the sustainability of a project, assessing how the project will meet the needs of the community, stakeholders, and the 16 17 environment; and (5) all criteria established by the commission for 18 19 prioritization of projects. (e) In prioritizing projects, each local transportation 20 entity and department district shall include projects that meet 21 short-term and long-term needs of the entity's jurisdiction. 22 (f) Uniform standards established under this section must 23 24 be approved by the commission. (g) Using the uniform standards established under this 25 26 section, each local transportation entity and department district shall submit to the department the funding prioritization for 27

1 transportation projects in the entity's jurisdiction. 2 Sec. 201.6017. PRIORITIZATION OF PROJECTS BY DEPARTMENT AND 3 APPROVED BY COMMISSION. (a) The department shall prioritize and the commission shall approve projects included in the statewide 4 5 transportation plan under Section 201.601 in order to provide 6 financial assistance under this chapter. 7 (b) The department shall establish and the commission shall 8 approve an overall performance-based process for setting category funding levels in the department's unified transportation program. 9 The department shall consider a zero-based budget approach to 10 address safety, maintenance, congestion, connectivity, economic 11 12 development, and other needs. 13 (c) The department shall establish and the commission shall approve a point system for prioritization of projects for which 14 15 financial assistance is sought from the commission. The project evaluation criteria must take into consideration the department's 16 17 strategic goals as approved by the commission. The system must include a standard for the department to apply in determining how to 18 19 take into account the diverse needs of the state so as to fairly allocate funding to all regions of the state. 20 21 (d) The department may not recommend and the commission may 22 not approve a deviation from the department's selection of projects for funding of more than 10 percent of the current biennial budget 23 24 of the department. A deviation must be reviewed with the state infrastructure advisory committee before the commission takes 25 26 action. Not less than 60 days before approving a deviation, the commission must provide notice of that pending approval to the 27

H.B. No. 2685 1 state infrastructure advisory committee. 2 (e) In awarding points to projects, the department shall 3 give priority to projects that: 4 (1) address safety, maintenance, congestion 5 mitigation, and connectivity; 6 (2) provide assistance to urban and rural populations; 7 (3) provide regional balance; 8 (4) meet a high percentage of the infrastructure needs of a community; 9 10 (5) have available funding; (6) are able to begin without significant delay; and 11 12 (7) include public participation in the planning process and public support for the project. 13 (f) In addition to criteria under Subsection (e), in 14 15 prioritizing projects the department shall consider: 16 (1) the local contribution to be made to construct the 17 project; (2) the financial capacity of the entity responsible 18 19 for the project to repay the obligation if the assistance is in the form of a loan; 20 21 (3) the ability to timely leverage state financial support with local and federal funding; 22 (4) whether there is an emergency need for the 23 24 project; 25 (5) whether all preliminary planning and design work 26 associated with the project necessary to reasonably predict cost, construction period, and benefits of the project have been 27

	H.B. No. 2685
1	<pre>completed;</pre>
2	(6) whether all rights-of-way and easements necessary
3	to begin construction have been acquired or approved;
4	(7) the start date for and certainty of the beginning
5	of project construction;
6	(8) the demonstrated or projected impact on the
7	community; and
8	(9) the priority given the project by the applicable
9	local transportation entity under Section 201.6016.
10	SECTION 3. Section 201.809, Transportation Code, is amended
11	by adding Subsections (e) through (j) to read as follows:
12	(e) The department shall develop and implement, and the
13	commission shall approve, a performance-based planning and
14	programming process dedicated to providing the executive and
15	legislative branches of government with indicators that quantify
16	and qualify progress toward attaining all department goals and
17	objectives established by the legislature and the commission.
18	(f) The department shall develop and implement performance
19	metrics and performance measures as part of:
20	(1) the review of strategic planning in the statewide
21	transportation plan, metropolitan transportation plans, rural
22	transportation plans, and unified transportation program;
23	(2) the evaluation of decision-making on projects
24	selected for funding in the unified transportation program and
25	statewide transportation improvement program; and
26	(3) the evaluation of project delivery for projects in
27	the department's letting schedule.

	H.B. No. 2685
1	(g) The department shall use and the commission shall review
2	performance metrics and measures to:
3	(1) assess how well the transportation system is
4	operating;
5	(2) provide the department, legislature,
6	stakeholders, and public with information to support decisions;
7	(3) assess the effectiveness and efficiency of
8	transportation projects and service delivery; and
9	(4) demonstrate transparency and accountability.
10	(h) The department shall develop and implement, and the
11	commission shall approve, specific performance metrics and
12	measures for sustainable objectives, including:
13	(1) congestion reduction;
14	(2) safety enhancements;
15	(3) expansion of economic opportunity;
16	(4) preservation of the value of existing
17	transportation assets;
18	(5) cost efficiency of the department's operations;
19	(6) project procurement, delivery, and final cost; and
20	(7) enhancements in public participation in the
21	infrastructure planning process.
22	(i) The requirement for the department to develop and
23	implement a performance-based planning and programming process
24	does not replace or alter the requirement of the department to
25	comply with the budgetary performance measures for each biennium as
26	established in the General Appropriations Act. The department may
27	not rely on its requirement to report hudgetary performance

1 <u>measures as satisfying the requirements imposed under this section.</u>
2 (j) The department shall develop and implement monthly and
3 <u>annual reporting schedules for all performance metrics and measures</u>
4 <u>required under this section.</u>
5 SECTION 4. Section 201.117, Transportation Code, is
6 repealed.

7 SECTION 5. Not later than January 1, 2017, the state 8 infrastructure advisory committee established by Section 201.151, 9 Transportation Code, as added by this Act, shall submit to the 10 legislature the report required by that section.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.