

AN ACT

relating to the establishment and governance of certain regional transportation authorities.

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

SECTION 1. Section 321.101(b), Tax Code, is amended to read as follows:

(b) A municipality that is not disqualified may, by a majority vote of the qualified voters of the municipality voting at an election held for that purpose, adopt an additional sales and use tax for the benefit of the municipality in accordance with this chapter. A municipality is disqualified from adopting the additional sales and use tax if the municipality:

(1) is included within the boundaries of a rapid transit authority created under Chapter 451, Transportation Code;

(2) is included within the boundaries of a regional transportation authority created under Chapter 452, Transportation Code, by a principal municipality having a population of less than 1.1 million according to the most recent federal decennial census ~~[800,000]~~, unless the municipality has a population of 400,000 or more and is located in more than one county;

(3) is wholly or partly located in a county that contains territory within the boundaries of a regional transportation authority created under Chapter 452, Transportation Code, by a principal municipality having a population in excess of

1.1 million according to the most recent federal decennial census  
[~~800,000~~], unless:

(A) the municipality is a contiguous  
municipality; or

(B) the municipality is not included within the  
boundaries of the authority and is located wholly or partly in a  
county in which fewer than 250 persons are residents of both the  
county and the authority according to the most recent federal  
census; or

(C) the municipality is not and on January 1,  
1993, was not included within the boundaries of the authority; or

(4) imposes a tax authorized by Chapter 453,  
Transportation Code.

SECTION 2. Section [321.1025](#)(a), Tax Code, is amended to  
read as follows:

(a) A municipality that is wholly or partly located in a  
county that contains territory within the boundaries of a regional  
transportation authority created under Chapter 452, Transportation  
Code, by a principal municipality having a population of more than  
1.1 million according to the most recent federal decennial census  
[~~800,000~~] and that has adopted an additional sales and use tax for  
the benefit of the municipality may hold an election on the question  
of whether the municipality shall be annexed to the authority.

SECTION 3. Section [452.502](#)(a), Transportation Code, is  
amended to read as follows:

(a) The executive committee of a regional transportation  
authority confirmed in more than one subregion is composed of 11

1 members selected as follows:

2 (1) seven members from the membership of the  
3 subregional board in the subregion that has [~~containing~~] a  
4 principal municipality with [~~having~~] a population of more than 1.1  
5 million according to the most recent federal decennial census  
6 [800,000]; and

7 (2) four members from the membership of the  
8 subregional board in the subregion that has no principal  
9 municipality with a population of more than 1.1 million according  
10 to the most recent federal decennial census [~~800,000~~].

11 SECTION 4. The heading to Subchapter N, Chapter 452,  
12 Transportation Code, is amended to read as follows:

13 SUBCHAPTER N. SUBREGIONAL BOARD IN AUTHORITY HAVING NO MUNICIPALITY  
14 WITH POPULATION OF MORE THAN 1.1 MILLION [~~800,000~~]

15 SECTION 5. Section [452.561](#), Transportation Code, is amended  
16 to read as follows:

17 Sec. 452.561. APPLICABILITY OF SUBCHAPTER. This subchapter  
18 applies only to the board of a subregion that has no principal  
19 municipality with a population of more than 1.1 million according  
20 to the most recent federal decennial census [~~800,000~~].

21 SECTION 6. Sections [452.562](#)(a), (b), and (c),  
22 Transportation Code, are amended to read as follows:

23 (a) A subregional board is composed of 11 [~~nine~~] members.

24 (b) If the entire county of the principal municipality is  
25 included in the authority, the subregional board consists of:

26 (1) five [~~four~~] members appointed by the governing  
27 body of the principal municipality;

(2) five [~~four~~] members appointed by the commissioners court of the county of the principal municipality; and

(3) one member appointed by the governing body of a municipality that is in the authority and has a population of more than 100,000.

(c) If Subsection (b) does not apply, the subregional board shall be appointed as follows:

(1) the commissioners court of the county of the principal municipality shall appoint at least three members [~~one member~~] to represent:

(A) the unincorporated areas and municipalities in the county that are not otherwise represented on the subregional board; and

(B) the municipalities that have entered into a contract with the authority to receive services; and

(2) the remaining members shall be apportioned to the municipalities confirmed as all or part of the subregion according to the ratio that the population of each unit of election bears to the total population of the area confirmed as the subregion.

SECTION 7. The heading to Subchapter O, Chapter 452, Transportation Code, is amended to read as follows:

SUBCHAPTER O. SUBREGIONAL BOARD IN SUBREGION HAVING PRINCIPAL MUNICIPALITY WITH POPULATION OF MORE THAN 1.1 MILLION [~~800,000~~]

SECTION 8. Section [452.571](#), Transportation Code, is amended to read as follows:

Sec. 452.571. APPLICABILITY OF SUBCHAPTER. This subchapter applies only to the board of a subregion that has a principal

1 municipality with a population of more than 1.1 million according  
2 to the most recent federal decennial census [~~800,000~~].

3 SECTION 9. Sections 452.605(a) and (b), Transportation  
4 Code, are amended to read as follows:

5 (a) A municipality with [~~having~~] a population of at least  
6 250,000 according to the most recent [~~preceding~~] federal decennial  
7 census and located in a county that has no principal municipality  
8 with a population of more than 1.1 million [~~800,000~~] according to  
9 the most recent [~~preceding~~] federal decennial census may join a  
10 separate authority by complying with this chapter.

11 (b) If a municipality described by Subsection (a) joins a  
12 separate authority and another separate authority is subsequently  
13 established in a county that has no principal municipality with a  
14 [~~of more than 800,000~~] population of more than 1.1 million  
15 according to the most recent [~~preceding~~] federal decennial census,  
16 any municipality in that county that has voted to participate with  
17 any authority created under this chapter may at the time of the  
18 creation of the new authority:

19 (1) remain in the authority that was created first;

20 (2) join the new authority in the county in which the  
21 municipality is located; or

22 (3) participate with both authorities.

23 SECTION 10. Section 452.657, Transportation Code, is  
24 amended by adding Subsections (e) and (f) to read as follows:

25 (e) In a unit of election with a population of less than  
26 10,000 according to the most recent federal decennial census that  
27 withdraws from an authority consisting of one subregion governed by

1 a subregional board created under Subchapter N, title to all real  
2 estate in the unit of election owned or partially owned by the  
3 authority, including improvements made by the authority, except a  
4 right-of-way or an improvement to a right-of-way, shall immediately  
5 vest in the authority, and the authority may continue to use the  
6 real estate and improvements in the withdrawn unit of election as  
7 may be determined by the authority to be necessary:

8 (1) for the continuation of service to other units of  
9 election;

10 (2) to satisfy the authority's remaining federal grant  
11 obligation for the real estate and improvements; or

12 (3) for the operation of a public transportation  
13 system as provided by Section 452.056(a).

14 (f) An authority is responsible for all operation and  
15 maintenance costs of the property and improvements located in the  
16 withdrawn unit of election that are owned or partially owned by the  
17 authority as described by Subsection (e).

18 SECTION 11. Section 452.659, Transportation Code, is  
19 amended by adding Subsection (e) to read as follows:

20 (e) Notwithstanding any other provision of this chapter, in  
21 determining the total financial obligation of a withdrawn unit of  
22 election to an authority consisting of one subregion governed by a  
23 subregional board created under Subchapter N, Subsection (a)(2)  
24 does not apply, and the amounts calculated under Subsection (a)(1)  
25 do not include any financial, contractual, or other obligations  
26 incurred by the authority between the date that an election to  
27 withdraw is ordered and the date of the canvass of the election.

1 The executive committee shall determine the total financial  
2 obligation of the withdrawn unit of election not later than the  
3 180th day after the date the election is called. This subsection:

4 (1) applies to an election to withdraw that is ordered  
5 before, on, or after September 1, 2015; and

6 (2) expires August 31, 2016.

7 SECTION 12. Section 452.710(b), Transportation Code, is  
8 amended to read as follows:

9 (b) The interim subregional board of a subregion that has no  
10 principal municipality with a population of more than 1.1 million  
11 according to the most recent federal decennial census [~~800,000~~] is  
12 composed of 11 [~~nine~~] members appointed as provided by Section  
13 452.562(b).

14 SECTION 13. Section 452.712(d), Transportation Code, is  
15 amended to read as follows:

16 (d) In a subregion that has no principal municipality with a  
17 population of more than 1.1 million according to the most recent  
18 federal decennial census [~~800,000~~], the tax rate must be approved  
19 by the commissioners court before the confirmation election.

20 SECTION 14. This Act takes effect September 1, 2015.

H.B. No. 3777

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President of the Senate

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Speaker of the House

I certify that H.B. No. 3777 was passed by the House on May 13, 2015, by the following vote: Yeas 145, Nays 1, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3777 on May 28, 2015, by the following vote: Yeas 143, Nays 1, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3777 was passed by the Senate, with amendments, on May 26, 2015, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor