

1-1 By: Collier, et al. (Senate Sponsor - Hancock) H.B. No. 3777  
1-2 (In the Senate - Received from the House May 14, 2015;  
1-3 May 15, 2015, read first time and referred to Committee on  
1-4 Administration; May 22, 2015, reported adversely, with favorable  
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;  
1-6 May 22, 2015, sent to printer.)

1-7	COMMITTEE VOTE			
1-8		Yea	Nay	Absent
1-9	Hancock	X		PNV
1-10	Uresti	X		
1-11	Campbell			X
1-12	Eltife	X		
1-13	Huffines	X		
1-14	Schwertner			X
1-15	West	X		

1-16 COMMITTEE SUBSTITUTE FOR H.B. No. 3777 By: Hancock

1-17 A BILL TO BE ENTITLED  
1-18 AN ACT

1-19 relating to the establishment and governance of certain regional  
1-20 transportation authorities.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section 321.101(b), Tax Code, is amended to read  
1-23 as follows:

1-24 (b) A municipality that is not disqualified may, by a  
1-25 majority vote of the qualified voters of the municipality voting at  
1-26 an election held for that purpose, adopt an additional sales and use  
1-27 tax for the benefit of the municipality in accordance with this  
1-28 chapter. A municipality is disqualified from adopting the  
1-29 additional sales and use tax if the municipality:

1-30 (1) is included within the boundaries of a rapid  
1-31 transit authority created under Chapter 451, Transportation Code;

1-32 (2) is included within the boundaries of a regional  
1-33 transportation authority created under Chapter 452, Transportation  
1-34 Code, by a principal municipality having a population of less than  
1-35 1.1 million according to the most recent federal decennial census  
1-36 ~~[800,000]~~, unless the municipality has a population of 400,000 or  
1-37 more and is located in more than one county;

1-38 (3) is wholly or partly located in a county that  
1-39 contains territory within the boundaries of a regional  
1-40 transportation authority created under Chapter 452, Transportation  
1-41 Code, by a principal municipality having a population in excess of  
1-42 1.1 million according to the most recent federal decennial census  
1-43 ~~[800,000]~~, unless:

1-44 (A) the municipality is a contiguous  
1-45 municipality; or

1-46 (B) the municipality is not included within the  
1-47 boundaries of the authority and is located wholly or partly in a  
1-48 county in which fewer than 250 persons are residents of both the  
1-49 county and the authority according to the most recent federal  
1-50 census; or

1-51 (C) the municipality is not and on January 1,  
1-52 1993, was not included within the boundaries of the authority; or

1-53 (4) imposes a tax authorized by Chapter 453,  
1-54 Transportation Code.

1-55 SECTION 2. Section 321.1025(a), Tax Code, is amended to  
1-56 read as follows:

1-57 (a) A municipality that is wholly or partly located in a  
1-58 county that contains territory within the boundaries of a regional  
1-59 transportation authority created under Chapter 452, Transportation  
1-60 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 members selected as follows:

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

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

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

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

SECTION 5. Section 452.561, Transportation Code, is amended to read as follows:

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

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

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

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

(1) five ~~[four]~~ members appointed by the governing 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 municipality with a population of more than 1.1 million according to the most recent federal decennial census ~~[800,000]~~.

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

(a) A municipality with ~~[having]~~ a population of at least 250,000 according to the most recent ~~[preceding]~~ federal decennial census and located in a county that has no principal municipality

with a population of more than 1.1 million ~~[800,000]~~ according to the most recent ~~[preceding]~~ federal decennial census may join a separate authority by complying with this chapter.

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

- (1) remain in the authority that was created first;
- (2) join the new authority in the county in which the municipality is located; or
- (3) participate with both authorities.

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

(e) In a unit of election with a population of less than 10,000 according to the most recent federal decennial census that withdraws from an authority consisting of one subregion governed by a subregional board created under Subchapter N, title to all real estate in the unit of election owned or partially owned by the authority, including improvements made by the authority, except a right-of-way or an improvement to a right-of-way, shall immediately vest in the authority, and the authority may continue to use the real estate and improvements in the withdrawn unit of election as may be determined by the authority to be necessary:

- (1) for the continuation of service to other units of election;
- (2) to satisfy the authority's remaining federal grant obligation for the real estate and improvements; or
- (3) for the operation of a public transportation system as provided by Section 452.056(a).

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

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

(e) Notwithstanding any other provision of this chapter, in determining the total financial obligation of a withdrawn unit of election to an authority consisting of one subregion governed by a subregional board created under Subchapter N, Subsection (a)(2) does not apply, and the amounts calculated under Subsection (a)(1) do not include any financial, contractual, or other obligations incurred by the authority between the date that an election to withdraw is ordered and the date of the canvass of the election. The executive committee shall determine the total financial obligation of the withdrawn unit of election not later than the 180th day after the date the election is called. This subsection:

- (1) applies to an election to withdraw that is ordered before, on, or after September 1, 2015; and
- (2) expires August 31, 2016.

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

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

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

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

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

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