

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 1764
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Transportation
5/18/2017
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Capital Metro is the metropolitan rapid transit authority that serves the Austin area pursuant to Chapter 451, Transportation Code. During a recent state-mandated performance audit, Capital Metro discovered that several sections of Chapter 451 are out of date with its current operations. H.B. 1764 is a clean-up bill that addresses these provisions.

H.B. 1764 clarifies that Capital Metro may encumber already-approved funds from one year to the next for capital projects.

H.B. 1764 also updates the provision that requires Capital Metro to report certain performance measures. The language is currently limited to services "directly operated by the authority," which is problematic because Capital Metro no longer operates its services directly. Thus, striking this provision ensures Capital Metro will continue to report performance measures on its services even when they are operated by outside contractors. (Original Author's / Sponsor's Statement of Intent)

C.S.H.B. 1764 amends current law relating to the operation of metropolitan rapid transit authorities.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 451.110(c), Transportation Code, to provide that Subsection (a) (relating to prohibiting a governing board of a rapid transit authority (board) from contracting for certain purposes, except through competitive bidding after a notice of the contract proposal) does not apply to a contract for an amount less than or equal to the simplified acquisition threshold as defined by the Federal Acquisition Regulation (48 C.F.R. Section 2.101) or a successor regulation, rather than to a contract for \$50,000 or less.

SECTION 2. Amends Section 451.111(a), Transportation Code, to prohibit a board, except as provided by Subchapter Q and unless the posting requirement in Subsection (b) (relating to requiring that an announcement that a contract being considered to be posted in a certain place for a certain period of time) is satisfied, from letting a contract that is for more than the simplified acquisition threshold as defined by the Federal Acquisition Regulation (48 C.F.R. Section 2.101) or a successor regulation, rather than from letting a contract that is for more than \$50,000.

SECTION 3. Amends Section 451.133(a), Transportation Code, to prohibit a rapid transit authority (authority) from spending for capital improvements money in excess of the total amounts allocated for major capital expenditures in the current and preceding annual budgets of the authority, rather than from spending for capital improvements money in excess of the total amount allocated for major capital expenditures in the annual budget.

SECTION 4. Amends Section 451.362, Transportation Code, by amending Subsection (a) and adding Subsection (e), as follows:

(a) Authorizes the board, by order or resolution, notwithstanding other provisions of this chapter (Metropolitan Rapid Transit Authorities) and except as provided by Subsections (c), (d), and (e), rather than Subsections (c) and (d), to issue bonds that are secured by revenue or taxes of the authority if the bonds meet certain criteria.

(e) Authorizes bonds to have a term of not more than 15 years in an authority confirmed before July 1, 1985, in which the principal municipality has a population of less than one million. Provides that the bonds are payable only from revenue received on or after the date the bonds are issued.

SECTION 5. Amends Sections 451.455(h) and (i), Transportation Code, as follows:

(h) Provides that the number of accidents per 100,000 miles is computed by multiplying the annual number of accidents by 100,000 and dividing the product by the number of miles for all service, including charter and nonrevenue service, for the same period, rather than including charter and nonrevenue service, directly operated by the authority, for the same period.

(i) Provides that the number of miles between mechanical road calls is computed by dividing the annual number of miles for all service, rather than by dividing the annual number of miles for all service directly operated by an authority, including charter and nonrevenue service, by the number of mechanical road calls for the same period.

SECTION 6. Effective date: September 1, 2017.