

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 2203
By: Romero, Jr. (Powell)
Transportation
5/17/2021
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, certain regional transportation authorities (RTA) may enter into financial agreements with non-governmental entities to encourage private investment with a transportation authority, provided certain conditions are met. These agreements allow RTAs to invest in their local communities by partnering with the private sector for mixed used development to provide retail, office, and housing around the transit station. However, the current statute limits the ability to enter into these agreements to subregional boards created under Subchapter O.

H.B. 2203 amends Section 452.108, Transportation Code, by adding a reference to Subchapter N so that the existing language regarding private investment applies to all subregional boards created under this chapter. The effect of this would be to grant Trinity Metro the same authority to enter into public-private partnerships that is currently granted to Dallas Area Rapid Transit (DART).

(Original Author's / Sponsor's Statement of Intent)

H.B. 2203 amends current law relating to the powers of certain regional transportation 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 452.108, Transportation Code, by amending Subsections (c) and (d) and adding Subsections (h), (i), and (j), as follows:

(c) Prohibits an authority consisting of one subregion governed by a subregional board created under Subchapter N (Subregional Board in Authority Having No Municipality with Population of More than 1.1 Million) or O (Subregional Board in Subregion Having Principal Municipality with Population of More than 1.1 Million), rather than under Subchapter O, except as provided by Subsection (d), from entering a lease or financing agreement secured wholly or partially by the assets of the authority under certain circumstances.

(d) Authorizes an authority consisting of one subregion governed by a subregional board created under Subchapter N or O, rather than under Subchapter O, in order to provide tax benefits to another party that are available with respect to property under the laws of a foreign country or to encourage private investment with a transportation authority in the United States, and notwithstanding any other provision of Chapter 452 (Regional Transportation Authorities), to enter into and execute, as it considers appropriate, certain agreements.

(h) Provides that Subsections (c) and (d) do not affect the eminent domain laws that govern an authority consisting of one subregion governed by a subregional board created

under Subchapter N or grant the authority's power of eminent domain to any person who is not granted that power under other state law.

(i) Prohibits an authority consisting of one subregion governed by a subregional board created under Subchapter N from entering into an agreement under Section 452.108 (Duration of Contracts and Delegation of Powers) with a private entity:

(1) that results in the removal from a taxing unit's tax rolls of real property otherwise subject to ad valorem taxation, unless the taxing unit approves of the removal; or

(2) for a term that exceeds 35 years.

(j) Authorizes an authority consisting of one subregion governed by a subregional board created under Subchapter N to only enter into a lease or financing agreement under Section 452.108 for a development located within 1,500 feet of a planned or existing station, terminal complex, or transit route stop.

SECTION 2. Effective date: upon passage or September 1, 2021.