

1-1 By: Romero, Jr. (Senate Sponsor - Powell) H.B. No. 2203
 1-2 (In the Senate - Received from the House May 3, 2021;
 1-3 May 6, 2021, read first time and referred to Committee on
 1-4 Transportation; May 19, 2021, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 8, Nays 0;
 1-6 May 19, 2021, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10			X	
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 2203 By: Hancock

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the powers of certain regional transportation
 1-22 authorities.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 452.108, Transportation Code, is amended
 1-25 by amending Subsections (c) and (d) and adding Subsections (h),
 1-26 (i), and (j) to read as follows:

1-27 (c) Except as provided by Subsection (d), an authority
 1-28 consisting of one subregion governed by a subregional board created
 1-29 under Subchapter N or O may not enter a lease or financing agreement
 1-30 secured wholly or partially by the assets of the authority if the
 1-31 duration of the lease or financing agreement is longer than five
 1-32 years unless the lease or agreement is approved by the voters of the
 1-33 authority in the manner provided for the issuance of bonds and notes
 1-34 under Subchapter H.

1-35 (d) To provide tax benefits to another party that are
 1-36 available with respect to property under the laws of a foreign
 1-37 country or to encourage private investment with a transportation
 1-38 authority in the United States, and notwithstanding any other
 1-39 provision of this chapter, an authority consisting of one subregion
 1-40 governed by a subregional board created under Subchapter N or O may
 1-41 enter into and execute, as it considers appropriate, contracts,
 1-42 agreements, notes, security agreements, conveyances, bills of
 1-43 sale, deeds, leases as lessee or lessor, and currency hedges, swap
 1-44 transactions, or agreements relating to foreign and domestic
 1-45 currency. The agreements or instruments may have the terms,
 1-46 maturities, duration, provisions as to governing law, indemnities,
 1-47 and other provisions that are approved by the subregional board. In
 1-48 connection with any transaction authorized by this subsection, the
 1-49 authority may deposit in trust, escrow, or similar arrangement cash
 1-50 or lawful investments securities, or may enter into one or more
 1-51 payment agreements, financial guarantees, or insurance contracts
 1-52 with counterparties having either a corporate credit or debt rating
 1-53 in any form, a claims-paying ability, or a rating for financial
 1-54 strength of "AA" or better by Moody's Investors Service, Inc. or by
 1-55 Standard & Poor's Corporation or of "A (Class XII)" or better by
 1-56 Best's rating system, that by their terms, including interest to be
 1-57 earned on the cash or securities, or payment obligations, are
 1-58 sufficient in amount to pay when due all amounts required to be paid
 1-59 by the authority as rent over the full term of the transaction plus
 1-60 any optional purchase price or other obligation due under the

2-1 transaction.

2-2 (h) Subsections (c) and (d) do not affect the eminent domain
2-3 laws that govern an authority consisting of one subregion governed
2-4 by a subregional board created under Subchapter N or grant the
2-5 authority's power of eminent domain to any person who is not granted
2-6 that power under other state law.

2-7 (i) An authority consisting of one subregion governed by a
2-8 subregional board created under Subchapter N may not enter into an
2-9 agreement under this section with a private entity:

2-10 (1) that results in the removal from a taxing unit's
2-11 tax rolls of real property otherwise subject to ad valorem
2-12 taxation, unless the taxing unit approves of the removal; or

2-13 (2) for a term that exceeds 35 years.

2-14 (j) An authority consisting of one subregion governed by a
2-15 subregional board created under Subchapter N may only enter into a
2-16 lease or financing agreement under this section for a development
2-17 located within 1,500 feet of a planned or existing station,
2-18 terminal complex, or transit route stop.

2-19 SECTION 2. This Act takes effect immediately if it receives
2-20 a vote of two-thirds of all the members elected to each house, as
2-21 provided by Section 39, Article III, Texas Constitution. If this
2-22 Act does not receive the vote necessary for immediate effect, this
2-23 Act takes effect September 1, 2021.

2-24 * * * * *