

By: Nichols

S.B. No. 1727

A BILL TO BE ENTITLED

AN ACT

relating to certain local government corporations created for the development, construction, operation, management, or financing of transportation projects.

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

SECTION 1. Subchapter D, Chapter 431, Transportation Code, is amended by adding Section 431.1015 to read as follows:

Sec. 431.1015. CORPORATIONS OF CERTAIN COUNTIES FOR TOLL PROJECTS. (a) Notwithstanding Chapter 284 or any other law, a county with a population of more than four million may not create a local government corporation under this chapter to develop, construct, operate, manage, or finance a toll project or system located in the county.

(b) An existing local government corporation created by a county described by Subsection (a) for the purposes described by that subsection:

(1) may not:

(A) undertake any new bonds, notes, or other obligations or extend the terms of any existing bonds, notes, or other obligations; or

(B) enter into any new contracts or extend the terms of any existing contracts; and

(2) must be dissolved when all bonds, notes, and other obligations and contracts of the corporation have been satisfied.

1        (c) This subsection and Subsection (b) expire on the date  
2 that the local government corporation described by Subsection (b)  
3 is dissolved.

4        (d) Notwithstanding any other provision of this chapter,  
5 income earned and revenues received by or from a local government  
6 corporation created to develop, construct, operate, manage, or  
7 finance a toll project or system under Chapter 284 may be used only  
8 to pay the costs of a turnpike project, as defined by Section  
9 370.003, or a road, street, or highway project as provided for under  
10 Section 284.0031.

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