

By: Paxton, Hagenbuch, Parker

S.B. No. 36

A BILL TO BE ENTITLED

AN ACT

relating to powers of regional transportation authorities.

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

SECTION 1. Subchapter E, Chapter 452, Transportation Code, is amended by adding Section 452.204 to read as follows:

Sec. 452.204. GENERAL MOBILITY PROGRAM. (a) A unit of election in an authority consisting of one subregion governed by a subregional board created under Subchapter O may, in its discretion and not later than October 1 of each year, enter into a written agreement with the subregional board under which up to 25 percent of the sales and use tax received by the authority in that unit of election may be used by that unit of election for a general mobility program in that unit of election. The program may include:

(1) constructing and maintaining sidewalks, hiking trails, and biking trails, highways and local and arterial streets, thoroughfares, and other roads, including bridges, retaining walls, drainage culverts, grade separations, and other structural roadway elements;

(2) installing, operating, and maintaining streetlights and traffic control improvements, including traffic signals; or

(3) making drainage improvements and taking drainage-related measures as reasonable and necessary for the effective use of the transportation facility being installed,

1 constructed, operated, or maintained under Subdivision (1) or (2).

2 (b) Under an agreement entered into under Subsection (a), a
3 unit of election shall annually provide to the subregional board a
4 list of projects the unit of election intends to fund through the
5 program.

6 (c) Of the sales and use tax available to a unit of election
7 through the general mobility program each year:

8 (1) 50 percent shall be made available to the unit of
9 election on the first day of the authority's fiscal year; and

10 (2) 50 percent shall be made available to the unit of
11 election on a reimbursement basis before the end of the authority's
12 fiscal year.

13 (d) Any money made available to a unit of election under
14 Subsection (c) that is unused by the unit of election in the period
15 described by that subsection must be used by the authority to pay
16 down any outstanding debt that is secured by a sales and use tax
17 rate imposed at a rate of one percent. A payment made under this
18 subsection is in addition to any annual debt payment required of the
19 authority.

20 SECTION 2. Section 452.357(a), Transportation Code, is
21 amended to read as follows:

22 (a) To secure the payment of an authority's bonds, the
23 authority may:

24 (1) pledge not more than 75 percent ~~[all or part]~~ of
25 revenue realized from any tax that the authority may impose;

26 (2) pledge any part of the revenue of the public
27 transportation system;

(3) mortgage any part of the public transportation system, including any part of the system subsequently acquired;

(4) pledge all or part of funds the federal government has committed to the authority as grants in aid; and

(5) provide that a pledge of revenue described by Subdivision (1) or (2) is a first lien or charge against that revenue.

SECTION 3. Section 452.358, Transportation Code, is amended to read as follows:

Sec. 452.358. USE OF REVENUE. Revenue in excess of amounts pledged under Section 452.357(a)(1) or (2) shall be used to:

(1) pay the expenses of operation and maintenance of a public transportation system, including salaries, labor, materials, and repairs necessary to provide efficient service and every other proper item of expense; ~~and~~

(2) fund operating reserves; and

(3) fund a general mobility program established under Section 452.204.

SECTION 4. Section 452.651(c), Transportation Code, is amended to read as follows:

(c) An election to withdraw may not be ordered, and a petition for an election to withdraw may not be accepted for filing, more frequently than once during each period of 12 months preceding the anniversary of the date of the election confirming the authority. If the unit of election is located in an authority consisting of one subregion governed by a subregional board created under Subchapter O, an election for withdrawal of the unit of

election under this section may not be ordered, and a petition for withdrawal may not be accepted, more frequently than once during 1996 and during each third [~~sixth~~] calendar year after that year.

SECTION 5. Subchapter Q, Chapter 452, Transportation Code, is amended by adding Section 452.6545 to read as follows:

Sec. 452.6545. EFFECT OF NOTICE OF ELECTION ON CERTAIN AUTHORITY TO ISSUE OBLIGATIONS. Notwithstanding Subchapter H, on receipt by the executive committee of the authority of a notice provided under Section 452.655(c), the authority may not issue notes, bonds, or other obligations if the issuance would cause the financial obligation of the unit of election under Section 452.659(a) to accrue because the amount in Section 452.659(b)(3) would increase. This limitation on issuance continues until:

(1) the effective date of the withdrawal of the unit of election from the authority, if after an election held under Section 452.655 less than a majority of the votes received on the measure in the election favor the proposition; or

(2) the day after the date of the canvass of an election held under Section 452.655, if a majority of the votes received on the measure in the election favor the proposition.

SECTION 6. Section 452.357(a), Transportation Code, as amended by this Act, does not apply to the imposition of a sales and use tax in a regional transportation authority that, before the effective date of this Act, has pledged the revenue from the tax imposed as security for bonds issued by the authority. The imposition of a sales and use tax in a regional transportation authority that has pledged the revenue from the tax imposed as

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1 security for bonds issued by the authority before the effective
2 date of this Act is governed by the law in effect when the revenue
3 was pledged, and that law is continued in effect for that purpose.

4 SECTION 7. This Act takes effect on the 91st day after the
5 last day of the legislative session.