

BILL ANALYSIS

H.B. 3485
By: Turner, Chris
Transportation
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note that some municipalities in Texas do not have comprehensive transit systems serving the general public. The parties suggest that one option to address the lack of transit in these communities is to add a municipality to a regional transportation authority after approval by the municipality's voters. The parties point out that once the municipality joins a regional transportation authority, the authority can impose a transit sales and use tax with the same rate that is applied in other areas under the authority. H.B. 3485 seeks to address this issue by providing for the addition of certain municipalities to the territory of a regional transportation authority.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 3485 amends the Transportation Code to authorize a municipality that does not have territory that is part of a regional transportation authority and that levies a special sales and use tax in excess of one percent that, when combined with an authority's sales and use tax, would result in a sales and use tax rate of more than two percent in the territory of the municipality to be added to the territory of an authority on a date determined by the authority's executive committee under the following circumstances: if any part of the territory of the municipality is located in a county in which the authority has territory or in a county that is adjacent to a county in which the authority has territory; if the executive committee states, by resolution, the authority's intention to provide transportation services in the territory of the municipality; if the governing body of the municipality calls an election on the addition of the territory of the municipality to the territory of the authority; and if a majority of the votes cast in the election favor the proposition.

H.B. 3485 authorizes the authority's executive committee and the governing board of the municipality, at any time after the date of the election approving the addition of the territory of the municipality to the territory of the authority, to enter into an interlocal agreement that provides for the eventual admission of the territory of the municipality to the territory of the authority, provided that the admission of the territory is delayed until the municipality's special sales and use tax is reduced to a rate that will not impair the imposition of the authority's sales and use tax. The bill establishes that a sales and use tax imposed by the authority takes effect in the territory of the municipality on the first day of the first calendar quarter that begins after the

date the comptroller of public accounts receives a certified copy of an order adopted by the executive committee adding the territory of the municipality, accompanied by a map of the authority clearly showing the territory added.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.