

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 2015  
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Transportation & Homeland Security  
3/31/2009  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

In December 2008, a Capital Area Metropolitan Planning Organization (CAMPO) peer review of the Capital Metropolitan Transportation Authority made a series of findings and recommendations regarding the authority's performance compared to similar transit authorities and compared to authorities that stakeholders identified as models.

When the current board composition was enacted, it was with an eye toward providing representation of the service area. Since that time, the board lost its balance of equitable representation when numerous jurisdictions withdrew.

Capital Metro is the only metropolitan transit authority in Texas required to have a referendum to operate, maintain, or construct a passenger rail facility even if it does not need to sell bonds or increase taxes. It must also hold those elections in November of even-numbered years. A referendum can be held on any general, uniform election date.

C.S.S.B. 2015 provides that the establishment of or a change to fares, tolls, charges, rents, and other compensation by a certain rapid transit authority takes effect immediately on approval by a majority vote of the governing body of an authority. The bill provides that no referendum is required to operate or expand certain fixed rail transit systems under certain circumstances. C.S.S.B. 2015 also sets forth the composition of the board.

### **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 451.061, Transportation Code, by amending Subsection (d) and adding Subsection (d-1), as follows:

(d) Creates an exception under Subsection (d-1).

(d-1) Provides that the establishment of or a change to fares, tolls, charges, rents, and other compensation by a rapid transit authority (authority) confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000, takes effect immediately on approval by a majority vote of the governing body of an authority (board), except that the establishment of or a change to a single-ride base fare takes effect on the 60th day after the date the board approves the fare or change to the fare, unless the policy board of the metropolitan planning organization that serves the area of the authority disapproves the fare or change to the fare by a majority vote.

SECTION 2. Amends Section 451.071, Transportation Code, by adding Subsection (g), to provide that this section does not require the authority to hold a referendum on a proposal to enter into a contract to build, operate, or maintain a fixed rail transit system for another entity or expand a system previously approved under this section if the proposed expansion involves the addition of not more than mile of track to the system, and improves the operational performance of the system.

SECTION 3. Amends Subchapter J, Chapter 451, Transportation Code, by adding Sections 451.458, 451.459, and 451.460, as follows:

Sec. 451.458. INTERNAL AUDITOR. (a) Provides that this section applies only to an authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000.

(b) Requires the board to enter into a contract with a qualified individual to perform internal auditing services as specified in the contract. Authorizes a contract entered into under this section to be renewed for subsequent fiscal years of the authority.

(c) Requires that the contract require the auditor to report directly to the board.

Sec. 451.459. SUNSET REVIEW. (a) Provides that an authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000 is subject to review under Chapter 325, Government Code (Texas Sunset Act), as if it were a state agency but may not be abolished under that chapter. Requires that the review be conducted as if the authority were scheduled to be abolished September 1, 2011. Requires, in addition, that another review be conducted as if the authority were scheduled to be abolished September 1, 2016.

(b) Requires the authority to pay the cost incurred by the Sunset Advisory Commission (Sunset) in performing a review of the authority under this section. Requires Sunset to determine the cost, and the authority to pay the amount promptly on receipt of a statement from Sunset detailing the cost.

Sec. 451.460. REPORT TO PRINCIPAL MUNICIPALITY. (a) Provides that this section applies only to an authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000.

(b) Requires the authority to annually provide an oral report to the governing body of the principal municipality regarding the status of any financial obligation of the authority to the municipality.

SECTION 4. Amends Section 451.5021, Transportation Code, by amending Subsections (a), (b), and (d) and adding Subsections (b-1), (d-1), and (d-2), as follows:

(a) Provides that this section applies only to the board of an authority created before July 1, 1985, in which the principal municipality has a population of less than 750,000, rather than the board in which each member of the governing body of the principal municipality is elected at large.

(b) Provides that members of the board are appointed as follows:

(1) one member, who is an elected official, rather than two members representing the general public, appointed by the metropolitan planning organization designated by the governor that serves the area of the authority;

(2) one, rather than two members, member, who is an elected official, appointed by the governing body of the principal municipality;

(3) one member jointly appointed by the governing body of the principal municipality, and the commissioners court of the principal county;

(4) one member jointly appointed by the governing body of the principal municipality and the commissioners court of the county, excluding the principal county, that has the largest population of the counties in the authority, rather than a panel composed of the mayors of all the municipalities in the authority located in the principal county of the authority, excluding the mayor of the principal municipality;

(5) one member, who is an elected official, appointed by a panel composed of the mayors of all municipalities in the authority, rather than all municipalities located outside the principal county of the authority, excluding the mayor of the principal municipality; and each member of a commissioner's court who represents a commissioner precinct that includes, rather than the county judges of the counties, an unincorporated area of the county in the authority;

(6) one member, who has at least 10 years of experience as a financial or accounting professional, appointed by the metropolitan planning organization that serves the area in which the authority is located;

(7) one member, who has at least 10 years of experience in an executive-level position in a public or private organization, including a governmental entity, appointed by the metropolitan planning authority that serves the area in which the authority is located; and

(8) two members appointed by the metropolitan planning organization that serves the area in which the authority is located, if according to the most recent federal decennial census more than 35 percent of the population in the territory of the authority resides outside the principal municipality. Deletes text of existing Subdivision 5(c).

(b-1) Provides that members of the board serve staggered three-year terms, with the terms of two or three members, as applicable, expiring June 1 of each year.

(d) Provides that a person appointed under Subsection (b)(1), (2), or (5), rather than (b)(2), (3), (4), to meet certain provisions.

(d-1) Requires that at least two members appointed under Subsections (b)(1), (6), and (7) be qualified voters residing in the principal municipality.

(d-2) Requires a person appointed under Subsection (b)(3) or (4) to have the person's principal place of occupation or employment in the principal municipality or a county commissioners precinct represented by a member of the panel that appointed the person; or be a qualified voter of the principal municipality or a county commissioners precinct represented by a member of the panel that appointed the person.

SECTION 5. Repealer: Subsections (g) (relating to this section continuing to apply to a certain board) and (h) (relating to requiring the principal municipality to make appointments to the board), Section 451.5021, Transportation Code.

SECTION 6. (a) Provides that the term of a member of the board of an authority confirmed before July 1, 1985, in which the principal municipality has a population of 750,000 or less expires on November 1, 2009.

(b) Requires the persons and entities specified in Section 451.5021, Transportation Code, as amended by this Act, as soon as practicable on or after the effective date of this Act but not later than November 1, 2009, to appoint the members of the board of the authority in compliance with that section, as amended, to serve terms that begin November 1, 2009.

(c) Requires the members of the board of the authority appointed under Subsection (b) of this section to draw lots to determine which terms of three members expire June 1, 2010, which terms of three members expire June 1, 2011, and which terms of three members expire June 1, 2012.

SECTION 7. Effective date: September 1, 2009.