

BILL ANALYSIS

Senate Research Center
83R4285 VOO-F

S.B. 276
By: Watson; Nelson
Transportation
2/15/2013
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Transportation Code currently allows transportation authorities as defined by Chapter 452 (Regional Transportation Authorities), among other governmental entities, to create local government corporations, but not other transit entities.

A local government corporation is an entity, created to act on behalf of its creating authority. It is governed by Chapter 431 (Texas Transportation Corporation Act), Transportation Code, and has the rights and privileges of a nonprofit corporation. Section 431.021 (Purpose of Corporation), Transportation Code, states that "The purpose of a corporation is limited to the promotion and development of public transportation facilities and systems." Specific powers include the ability to accept tax-deductible donations, including monetary and land grants; buy, assemble, and sell land; and issue bonds with the creating entity's credit. A local government corporation is not authorized to levy a tax.

S.B. 276 adds rapid transit authorities under Chapter 451 (Metropolitan Rapid Transit Authorities), Transportation Code, and coordinated county transportation authorities under Chapter 460 (Coordinated County Transportation Authorities), Transportation Code, to the categories of governmental entities authorized to create local government corporations under Chapter 431, Transportation Code.

As proposed, S.B. 276 amends current law relating to the authority of certain transportation authorities to create a local government corporation.

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 431.003(3), Transportation Code, to redefine "local government" to include for purposes of Subchapter D (Local Government Corporations) a regional transportation authority governed by Chapter 452 (Regional Transportation Authorities), a rapid transit authority governed by Chapter 451 (Metropolitan Rapid Transit Authorities), or a coordinated county transportation authority governed by Chapter 460 (Coordinated County Transportation Authorities). Deletes existing text referring to a regional transportation authority as described by Section 452.001 (Definitions).

SECTION 2. Effective date: upon passage or September 1, 2013.