

BILL ANALYSIS

Senate Research Center
86R6168 JRR-D

S.B. 297
By: Zaffirini
Transportation
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Pursuant to Texas' speed trap law, municipalities and counties are required to remit traffic citation revenues exceeding 30 percent of the previous year's total revenue to the state. If they fail to do so and the extra monies are later discovered via audit, the amount is retroactively made a debt to the state, specifically the comptroller of public accounts of the State of Texas (comptroller). Cities are able to negotiate repayment agreements with the comptroller's office, typically agreeing to an annual payment of some percentage of the city's sales tax revenue.

The City of Martindale, located in Caldwell County with a population of approximately 1,100, faces such a situation and owes the State of Texas approximately \$537,000. The state speed trap law was amended in 2011 to correct some of the issues facing smaller municipalities. At that time, Martindale was also granted a bracketed statutory provision that allows it to consider revenue generated by a utility company within the municipality as municipal revenue. This effectively prevents the city from generating additional debt via the speed trap law, which would create a situation in which the debt would never be repaid fully. The provision expires in 2021.

Due primarily to three 500-year floods on the San Marcos River (in October, 2013; May, 2015; and October, 2015), Martindale finds itself in dire economic straits. It has continued to make payments to the comptroller, but has been forced to curtail city services, cut city staff by half, and make other changes that could diminish quality of life and, critically, disincentivize persons from moving to or remaining in Martindale and generate new revenue.

S.B. 297 would extend Martindale's exception an additional 10 years, to 2031, to allow the city to regain its economic footing without incurring any new debt via the speed trap law. Notably, this bill would not eliminate any of the city's existing debt; it would simply help to prevent new debt.

As proposed, S.B. 297 amends current law relating to the disposition of fines for traffic violations collected by certain municipalities.

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 542.402(g), Transportation Code, to provide that this subsection and Subsection (f) expire on September 1, 2031, rather than September 1, 2021.

SECTION 2. Effective date: September 1, 2019.