

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 668  
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Transportation & Homeland Security  
4/2/2007  
Committee Report (Substituted)

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

Current law provides for the composition of the board of directors of a regional mobility authority (authority) to consist primarily of appointed members and prohibits an elected official from serving on the board. Because of this restriction, metropolitan planning organizations (MPOs), usually comprised of elected officials, have little say in the actions of these authorities. MPOs cannot dictate the projects that they or the Texas Department of Transportation (TxDOT) should pursue, and have no voice in setting toll rates. The only way an MPO can block a project is to remove it from the MPO's long-range plan. Previous legislation has expanded the power of authorities to take over and run transit systems with little accountability to elected officials.

C.S.S.B. 668 requires at least one elected official to serve on the governing body of an authority. The bill requires MPO approval of and action regarding TxDOT or authority plans related to financing the project within that MPO's planning area. The bill also prohibits TxDOT from establishing rules or terms of right-of-way acquisition giving preference to one toll project entity over another, requires an entity to reimburse local jurisdictions for the money those jurisdictions contribute to a toll project, and requires an entity to make a presentation to the MPO governing board on a toll rate increase before implementing the increase.

### **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 Subtitle G, Title 6, Transportation Code, by adding Chapter 371, as follows:

#### CHAPTER 371. PROVISIONS APPLICABLE TO MORE THAN ONE TYPE OF TOLL PROJECT

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 371.001. DEFINITIONS. Defines "toll project" and "toll project entity."

[Reserves Sections 371.002-371.050 for expansion.]

##### SUBCHAPTER B. TOLL PROJECT ENTITY OPERATIONS

Sec. 371.051. FINANCIAL REPORT. (a) Requires a toll project entity (entity) and the metropolitan planning organization (MPO) that serves an area to appoint a committee to review the financial data on planned and existing toll projects (projects) located within the MPO's planning area. Sets forth the composition of the committee, including certain elected officials, and requires the chair of the MPO to chair the committee.

(b) Requires an entity, not later than March 31 of each year, to file with the commissioners court of each county in which the entity operates a project a written report on the findings of the committee established under Subsection (a). Requires representatives of the MPO board and the administrative head of the

entity to appear before the commissioners court to present the report and receive questions and comments, at the invitation of the court.

(c) Authorizes the required report to be given in conjunction with other reports required by Section 370.261 (Strategic Plans and Annual Reports).

[Reserves Sections 371.052-371.100 for expansion.]

#### SUBCHAPTER C. ACQUISITION, CONSTRUCTION, AND OPERATION OF TRANSPORTATION PROJECTS

Sec. 371.101. ACCESS TO PUBLIC PROPERTY. Prohibits the state from establishing rules or acquisition terms for its easements or rights-of-way that give preference to one project or entity over another.

Sec. 371.102. REIMBURSEMENT OF LOCAL MONEY. Requires an entity to reimburse a local government for money contributed by the government to a project operated by the entity unless the money was contributed under conditions set forth in this section.

Sec. 371.103. METROPOLITAN PLANNING ORGANIZATION APPROVAL REQUIRED. (a) Requires the MPO's approval before an entity may proceed with certain actions set forth in this subsection, including refinancing the project for the purpose of extending the time before the discharge of bonded indebtedness on the project, continuing to impose tolls after the discharge of bonded indebtedness on the project, unless the imposed tolls are to pay for the maintenance an operation of the project, and spending surplus revenue from the project on other transportation projects.

(b) Prohibits an entity from conducting preliminary engineering or environmental studies for a project located in an area served by an MPO unless the MPO policy board specifically authorizes the entity to do so.

Sec. 371.104. TOLL RATE SUBMISSION TO METROPOLITAN PLANNING ORGANIZATION. Requires an entity, before it is authorized to increase toll rates on a project, to present the amount of the increase at a meeting of the policy board of the applicable MPO.

SECTION 2. Amends Section 370.251, Transportation Code, by adding Subsection (b-1) and amending Subsection (g), as follows:

(b-1) Requires at least one of the members of the board of directors of an authority (board) to be an elected official, which may include a member of a commissioners court or another locally elected body.

(g) Deletes elected officials from the list of certain persons who are ineligible to serve on as a director.

SECTION 3. (a) Provides that the change in law made by Section 371.051(b-1), Transportation Code, as added by this Act, regarding the composition of the board does not affect the entitlement of a director serving on the board immediately before the Act's effective date to continue such service for the remainder of the director's term.

(b) Makes application of Section 371.051(b-1), Transportation Code, as added by this Act, prospective. Requires the first director appointed on or after this Act's effective date to be an elected official if the board does not meet the requirements of that subsection.

SECTION 4. Effective date: September 1, 2007.