

## **BILL ANALYSIS**

Senate Research Center  
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S.B. 1066  
By: Nelson  
Transportation  
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As Filed

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

Under current law, not all member cities of a countywide public transportation authority (CPTA) are required to contribute funding to the operations of the CPTA, but all member cities are given a voting seat on the board. This creates a problem of not allowing the representatives of the municipalities who contribute funding to be accountable to their communities for the use of that funding.

The Denton County Transportation Authority (DCTA) was created under the CPTA statute in 2003 and at this time is the only such authority created under the statute. S.B. 1066 will redefine the voting roles of DCTA to reflect an agreement reached among the current stakeholders represented on the authority and establishes a process for determining the voting role of a member city that contributes funding to the operations of DCTA in the future.

As proposed, S.B. 1066 amends current law relating to certain coordinated county transportation authorities.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the board of directors of a countywide public transportation authority in SECTION 4 (Sections 460.254 and 460.255, Transportation Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 460.201(c), Transportation Code, to provide that a vacancy on the board of directors of a coordinated county transportation authority (board) is filled in the same manner as the original appointment to the interim executive committee, except as provided by Sections 460.2015 (Membership of Board of Directors) and 460.257, rather than by Section 460.2015.

SECTION 2. Amends Section 460.2015, Transportation Code, by adding Subsection (d) to provide that this section does not apply to an authority described by Section 460.252.

SECTION 3. Amends Section 460.205, Transportation Code, by adding Subsection (c) to provide that this section (Quorum; Voting Requirements) does not apply to an authority described by Section 460.252.

SECTION 4. Amends Chapter 460, Transportation Code, by adding Subchapter D-1, as follows:

#### **SUBCHAPTER D-1. BOARD OF DIRECTORS: CERTAIN AUTHORITIES**

Sec. 460.251. DEFINITIONS. Defines "board" as the board of directors of a coordinated county transportation authority and defines "founding municipality."

Sec. 460.252. APPLICABILITY. (a) Provides that this subchapter applies only to an authority confirmed under this chapter (Coordinated County Transportation Authorities) before December 31, 2003.

(b) Provides that Section 460.054 (Membership of Interim Executive Committee) does not apply to an authority described by Subsection (a).

Sec. 460.253. COMPOSITION. Provides that the board is composed of:

- (1) one member appointed by the governing body of each founding municipality;
- (2) two members appointed by the commissioners court who reside in:
  - (A) an unincorporated area of the county; or
  - (B) a municipality in the authority that is not authorized to appoint a member to the board under Subdivision (1) or Section 460.254;
- (3) each member appointed under Section 460.254, if applicable; and
- (4) each nonvoting member appointed under Section 460.255.

Sec. 460.254. APPOINTMENT OF BOARD MEMBER BY CERTAIN MUNICIPALITIES. (a) Authorizes the board to authorize the governing body of a municipality to appoint one member to the board if:

- (1) the municipality designates a public transportation financing area for the benefit of the authority under Subchapter I (Participation in Authority Through Tax Increment Payments) and enters into an agreement with the authority under Section 460.602 (Participation in Service Plan; Agreement With Municipality) or authorizes the authority's sales and use tax levy at the rate of one-half of one percent; and
- (2) the appointment is approved by an affirmative vote of at least three-fifths of the members described by either Section 460.253(1) or (3) and at least one member appointed by the commissioners court.

(b) Requires the board to adopt rules and bylaws governing the appointment of a member under this section.

Sec. 460.255. NONVOTING BOARD MEMBERS. (a) Authorizes a nonvoting member to be appointed to the board to represent a municipality in the authority that is not otherwise authorized to appoint a member to the board under this subchapter.

(b) Prohibits a nonvoting member appointed under this section from being counted for purposes of establishing a quorum of the board.

(c) Requires the board to adopt rules and bylaws governing the appointment, number, authority, and duties of a nonvoting member appointed under this section.

Sec. 460.256. ELIGIBILITY OF ELECTED OFFICER TO SERVE ON BOARD; COMPENSATION AND REIMBURSEMENT. (a) Provides that an elected officer of a political subdivision of this state who is not prohibited by the Texas Constitution from serving on the board is eligible, as an additional duty of office, to serve on the board.

(b) Provides that an elected officer of a political subdivision of this state who is a board member is not entitled to receive compensation for serving on the board but is entitled to reimbursement for reasonable expenses incurred in performing the member's duties.

Sec. 460.257. VACANCY. Provides that a vacancy on the board is filled in the same manner as the original appointment to the board under this subchapter.

Sec. 460.258. VOTING REQUIREMENTS. Provides that except as provided by Sections 460.254(a) and 460.602(b), an action of the board requires a vote of a majority of the members present, other than members described by Section 460.253(4), unless the bylaws require a larger number for a specific action.

SECTION 5. Amends Section 460.602, Transportation Code, as follows:

Sec. 460.602. PARTICIPATION IN SERVICE PLAN; AGREEMENT WITH MUNICIPALITY. (a) Creates this subsection from existing text and makes no further changes.

(b) Authorizes an authority described by Section 460.252 to enter into an agreement under Subsection (a)(2) (relating to a municipality's agreement with an authority to provide public transportation services in a public transportation financing area in exchange for a tax increment) only if the board of directors of the authority approves the agreement by an affirmative vote of at least three-fifths of the members described by either Section 460.253(1) or (3) and at least one member appointed by the commissioners court.

SECTION 6. Provides that on the effective date of this Act, the composition of the board of directors of a coordinated county transportation authority described by Section 460.252, Transportation Code, as added by this Act, is modified to conform to Subchapter D-1, Chapter 460, Transportation Code, as added by this Act, as follows:

(1) the currently serving members of the board appointed by a founding municipality, as that term is defined by Section 460.251, Transportation Code, as added by this Act, assume the board positions described by Section 460.253(1), Transportation Code, as added by this Act, and continue to serve as members of the board for the remainder of their terms;

(2) as soon as practicable, the commissioners court of a county located in the authority is required to designate the currently serving members of the board appointed by the commissioners court who assume the board positions described by Section 460.253(2), Transportation Code, as added by this Act, and those members continue to serve as members of the board for the remainder of their terms;

(3) the currently serving members of the board appointed by a municipality with a population of 17,000 or more that has not authorized the authority's sales and use tax levy assume the nonvoting board positions described by Section 460.255, Transportation Code, as added by this Act, and continue to serve as nonvoting members of the board for the remainder of their terms;

(4) as soon as practicable, the commissioners court of a county located in the authority is required to designate the currently serving members of the board appointed by a municipality in the county with a population of more than 500 but less than 17,000 that has not authorized the authority's sales and use tax levy who assume the nonvoting board positions described by Section 460.255, Transportation Code, as added by this Act, and the members continue to serve as nonvoting members of the board for the remainder of their terms;

(5) any alternate members serving on the board for members described by Subdivisions (1)–(4) of this section continue to serve in that capacity; and

(6) the terms of all other currently serving members of the board expire.

SECTION 7. Provides that this Act does not prohibit a person who is a member of the board of directors of a coordinated county transportation authority described by Section 460.252, Transportation Code, as added by this Act, whose term expires under Section 6 of this Act from

being reappointed to the board if the person is eligible under Subchapter D-1, Chapter 460, Transportation Code, as added by this Act.

SECTION 8. (a) Provides that a rule or bylaw adopted or other action taken before the effective date of this Act by a coordinated county transportation authority described by Section 460.252, Transportation Code, as added by this Act, remains in effect as a rule, bylaw, or action of the authority until superseded by action of that authority.

(b) Makes application of Section 460.002, Transportation Code, as amended by this Act, prospective.

SECTION 9. Effective date: upon passage or September 1, 2019.