BILL ANALYSIS

C.S.H.B. 157 By: Krusee Transportation Committee Report (Substituted)

BACKGROUND AND PURPOSE

Regional mobility authorities (RMAs) were established during the 77th session through the passage of SB 342. This provision allowed the Texas Transportation Commission, by order, to authorize the creation of an RMA for the purposes of constructing, maintaining, and operating a turnpike project in a region of this state. Counties, acting alone or in conjunction with other counties, may create an RMA in order to construct and operate turnpike projects. RMAs are designed to provide an alternative way to address transportation needs in circumstances where traditional sources of funding are not available.

CSHB 157 would give an RMA the same bonding authority as the Texas Transportation Commission in order to finance transportation projects, including the authority to issue debt. An RMA would have difficulty paying for transportation projects without that authority. Authorizing RMAs to issue bonds will enable them to build roads more quickly, and will provide more accountability to the local taxpayers.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

CSHB 157 amends Section 361.003 of the Transportation Code by adding Subsection (m) to allow a regional mobility authority the same powers and duties that the Texas Transportation Commission has under Subchapter E relating to the financing of turnpike projects.

EFFECTIVE DATE

Upon passage, or if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute differs from the original in that the substitute refers to both the Texas Transportation Commission and the Texas Department of Transportation since the referenced law does.

The substitute additionally differs from the original in that the substitute grants explicit authority to impose a toll and obtain other revenue necessary to repay revenue bonds.

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