By: Leibowitz H.B. No. 857

## A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to repeal of authority for the establishment and operation
- 3 of the Trans-Texas Corridor.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 11.11(j), Tax Code, is amended to read as
- 6 follows:
- 7 (j) For purposes of this section, any portion of a facility
- 8 owned by the Texas Department of Transportation that is [part of the
- 9 Trans-Texas Corridor, is a rail facility or system $[\tau]$  or is a
- 10 highway in the state highway system, and that is licensed or leased
- 11 to a private entity by that department under Chapter 91 or  $[\tau]$  223,
- 12 [or 227,] Transportation Code, is public property used for a public
- 13 purpose if the rail facility or system, highway, or facility is
- operated by the private entity to provide transportation or utility
- 15 services. Any part of a facility, rail facility or system, or state
- 16 highway that is licensed or leased to a private entity for a
- 17 commercial purpose is not exempt from taxation.
- SECTION 2. Section 25.06(c), Tax Code, is amended to read as
- 19 follows:
- 20 (c) This section does not apply to:
- 21 (1) any portion of a facility owned by the Texas
- 22 Department of Transportation that is [part of the Trans-Texas
- 23 Corridor, is] a rail facility or system[ $\tau$ ] or is a highway in the
- 24 state highway system and that is licensed or leased to a private

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- 1 entity by that department under Chapter  $91[\frac{1}{7} 227]$  or 361,
- 2 Transportation Code; or
- 3 (2) a leasehold or other possessory interest granted
- 4 by the Texas Department of Transportation in a facility owned by
- 5 that department that is [part of the Trans-Texas Corridor, is] a
- 6 rail facility or  $system[_{\boldsymbol{\tau}}]$  or is a highway in the state highway
- 7 system.
- 8 SECTION 3. Section 25.07(c), Tax Code, is amended to read as
- 9 follows:
- 10 (c) Subsection (a) does not apply to:
- 11 (1) any portion of a facility owned by the Texas
- 12 Department of Transportation that is [part of the Trans-Texas
- 13 Corridor, is a rail facility or system[ $\tau$ ] or is a highway in the
- 14 state highway system and that is licensed or leased to a private
- 15 entity by that department under Chapter  $91[\frac{1}{7}, \frac{227}{7}]$  or 361,
- 16 Transportation Code; or
- 17 (2) a leasehold or other possessory interest granted
- 18 by the Texas Department of Transportation in a facility owned by
- 19 that department that is [part of the Trans-Texas Corridor, is] a
- 20 rail facility or system[ $_{\tau}$ ] or is a highway in the state highway
- 21 system.
- SECTION 4. Sections 201.616(a) and (b), Transportation
- 23 Code, are amended to read as follows:
- 24 (a) Not later than December 1 of each year, the department
- 25 shall submit a report to the legislature that details:
- 26 (1) the expenditures made by the department in the
- 27 preceding state fiscal year in connection with:

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- 1 (A) the unified transportation program of the
- 2 department;
- 3 (B) turnpike projects and toll roads of the
- 4 department; and
- 5 (C) [the Trans-Texas Corridor;
- 6 [<del>(D)</del>] rail facilities described in Chapter 91;
- 7 [and
- 8 [(E) non-highway facilities on the Trans-Texas
- 9 Corridor if those expenditures are subject to Section 227.062(c);
- 10 (2) the amount of bonds or other public securities
- 11 issued for transportation projects; and
- 12 (3) the direction of money by the department to a
- 13 regional mobility authority in this state.
- 14 (b) The report must break down information under Subsection
- 15 (a)(1)(A) by program category and department district. The report
- 16 must break down information under Subsections (a)(1)(B)  $\underline{and}[\tau]$
- 17 (C)  $[\frac{D}{D}, \text{ and } (E)]$  and Subsection (a) (3) by department district.
- 18 The report must break down information under Subsection (a)(2) by
- 19 department district and type of project.
- SECTION 5. Section 202.112(a), Transportation Code, is
- 21 amended to read as follows:
- 22 (a) The commission may purchase an option to acquire
- 23 property for possible use in or in connection with a transportation
- 24 facility[, including a facility as defined by Section 227.001,]
- 25 before a final decision has been made as to whether the
- transportation facility will be located on that property.
- 27 SECTION 6. Section 222.003(e), Transportation Code, is

1 amended to read as follows:

- The proceeds of bonds and other public securities issued 2 3 under this section may not be used for any purpose other than any costs related to the bonds and other public securities and the 4 purposes for which revenues are dedicated under Section 7-a, 5 6 Article VIII, Texas Constitution. [The proceeds of bonds and other 7 public securities issued under this section may not be used for the 8 construction of a state highway or other facility on the 9 Trans-Texas Corridor. For purposes of this section, the 10 "Trans-Texas Corridor" means the statewide system of multimodal facilities under the jurisdiction of the department that is 11 12 designated by the commission, notwithstanding the name given to that corridor. 13
- SECTION 7. Section 223.201(a), Transportation Code, is amended to read as follows:
- 16 (a) Subject to Section 223.202, the department may enter 17 into a comprehensive development agreement with a private entity to 18 design, develop, finance, construct, maintain, repair, operate, 19 extend, or expand a:
- 20 (1) toll project;
- 21 (2) [facility or a combination of facilities on the
- 22 Trans-Texas Corridor;
- [(3)] state highway improvement project that includes both tolled and nontolled lanes and may include nontolled appurtenant facilities;
- 26 <u>(3)</u> [<del>(4)</del>] state highway improvement project in which 27 the private entity has an interest in the project; or

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- 1 (4) [(5)] state highway improvement project financed 2 wholly or partly with the proceeds of private activity bonds, as 3 defined by Section 141(a), Internal Revenue Code of 1986.
- SECTION 8. The following provisions of the Transportation
  Code are repealed:
- 6 (1) Section 201.618(e);
- 7 (2) Chapter 227;

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8 (3) Section 370.316; and

Act takes effect September 1, 2007.

- 9 (4) Section 545.3531.
- SECTION 9. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this