Amend CSHB 300 by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES accordingly:

ARTICLE ____. REGIONAL MOBILITY AUTHORITIES

SECTION _____.01. Section 370.003, Transportation Code, is amended by amending Subdivision (1) and adding Subdivision (9-b) to read as follows:

- (1) "Authority" means a regional mobility authority, including a municipal mobility authority, organized under this chapter or under Section 361.003, as that section existed before June 22, 2003.
- (9-b) "Municipal mobility authority" means a regional mobility authority created under Section 370.031(c).

SECTION ____.02. Section 370.031(c), Transportation Code, is amended to read as follows:

(c) A municipality that borders the United Mexican States and has a population of 105,000 or more may [has the same authority as a county, within its municipal boundaries, to] create and participate in an authority. A municipality creating or participating in an authority has the same powers and duties as a county participating in an authority, the governing body of the municipality has the same powers and duties as the commissioners court of a county participating in an authority, and an elected member of the municipality's governing body has the same powers and duties as a commissioner of a county that is participating in an authority. Subsections (a) and (b) do not apply to an authority created under this subsection, and approval of the commission is not required for the creation of an authority under this subsection.

SECTION ____.03. Section 370.038(a), Transportation Code, is amended to read as follows:

- (a) The commission shall adopt rules that:
- (1) govern the creation of an authority other than a municipal mobility authority;
- (2) govern the commission's approval of a project under Section 370.187 and other commission approvals required by this chapter;

- (3) establish design and construction standards for a transportation project that will connect with a highway in the state highway system or a department rail facility;
- (4) establish minimum audit and reporting requirements and standards;
- (5) establish minimum ethical standards for authority directors and employees; and
- (6) govern the authority of an authority to contract with the United Mexican States or a state of the United Mexican States.

SECTION ____.04. Section 370.251, Transportation Code, is amended by amending Subsections (a), (a-1), and (j) and adding Subsection (a-2) to read as follows:

- Except as provided by <u>Subsections</u> [Subsection] (a-1) and (a-2), the governing body of an authority is a board of directors consisting of representatives of each county in which a transportation project of the authority is located or is proposed to be located. The commissioners court of each county that initially forms the authority shall appoint at least two directors to the board. Additional directors may be appointed to the board at the time of initial formation by agreement of the counties creating the authority to ensure fair representation of political subdivisions in the counties of the authority that will be affected by a transportation project of the authority, provided that the number of directors must be an odd number. The commissioners court of a county that is subsequently added to the authority shall appoint one director to the board. Except as provided by Subsection (a-2), the [The] governor shall appoint one director to the board who shall serve as the presiding officer of the board and shall appoint an additional director to the board if an appointment is necessary to maintain an odd number of directors on the board.
- (a-1) To be eligible to serve as director of <u>a municipal</u> mobility [an] authority [created by a municipality] an individual:
- (1) may be a representative of an entity that also has representation on a metropolitan planning organization in the region where the municipality is located; and
 - (2) is required to be a resident of Texas regardless of

whether the metropolitan planning organization's geographic area includes territory in another state.

- (a-2) The governing body of a municipality that creates a municipal mobility authority serves as the board of the authority, with the presiding officer of the governing body of the municipality serving as the presiding officer of the board.
- (j) The commission may refuse to authorize the creation of an authority if the commission determines that the proposed board will not fairly represent political subdivisions in the counties of the authority that will be affected by the creation of the authority. This subsection does not apply to a municipal mobility authority. Commission approval is not required for the proposed board of a municipal mobility authority.

SECTION ____.05. Section 370.331, Transportation Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

- (a) Except as provided by Subsection (d), an [An] authority may not be dissolved unless the dissolution is approved by the commission.
- (d) A municipal mobility authority may not be dissolved unless approved by the governing body of the municipality that created the authority. A board may submit a request to the governing body of the municipality for approval to dissolve and the governing body of the municipality may approve the request only if:
- (1) all debts, obligations, and liabilities of the authority have been paid and discharged or adequate provision has been made for the payment of those debts, obligations, and liabilities;
- (2) there are no suits pending against the authority, or adequate provision has been made for the satisfaction of any judgment, order, or decree that may be entered against it in any pending suit; and
- (3) the authority has commitments from other governmental entities to assume jurisdiction of all authority transportation facilities.

SECTION ____.06. Section 370.332, Transportation Code, is amended by amending Subsection (a) and adding Subsection (c) to

read as follows:

- (a) Except as provided by Subsection (c), the [The] commission by order may require an authority to dissolve if the commission determines that the authority has not substantially complied with the requirements of a commission rule or an agreement between the department and the authority.
- (c) The commission may not order the dissolution of a municipal mobility authority. The governing body of a municipality that created a municipal mobility authority may by resolution or ordinance require an authority to dissolve if the governing body of the municipality determines that the authority has not substantially complied with the requirements of an agreement between the municipality and the authority. The governing body of the municipality may not require dissolution unless:
- (1) the conditions described by Sections 370.331(d)(1) and (2) have been met; and
- (2) the holders of any indebtedness have evidenced their agreement to the dissolution.

SECTION _____.07. (a) The changes in law made by this article to Chapter 370, Transportation Code, apply to a regional mobility authority previously created under Section 370.031(c), Transportation Code, and existing on the effective date of this Act.

(b) The term of a director of a municipal mobility authority, as that term is defined by Section 370.003(9-b), Transportation Code, as added by this article, expires on the effective date of this Act.