SECTION 1. Section 228.012(b), Transportation Code, is amended to read as follows:

(b) The department shall hold money in a subaccount in trust for the benefit of the region in which a project or system is located and may, after any necessary consultation with the metropolitan planning organization, council of governments or a similar planning agency for the region, enter into an agreement or agreements with the municipalities, counties or local governmental entities in the region for the distribution of money to such entities in such region that are authorized to construct, maintain, or operate projects that are eligible for funding with that money. assign the responsibility for allocating money in a subaccount to a metropolitan planning organization in which the region is located. Except as provided by Subsection (c), money shall be allocated to projects authorized by Section 228.0055 or Section 228.006, as applicable.