

By: Anchia

H.B. No. 3674

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the provision of financial assistance by the Texas
3 Department of Transportation to other toll project entities.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Sections [222.103](#)(a) and (c), Transportation
6 Code, are amended to read as follows:

7 (a) The department may participate, by spending money from
8 any available source, in the cost of the acquisition, construction,
9 maintenance, or operation of a toll facility by a transportation
10 corporation created by the commission under Chapter 431 [~~of a~~
11 ~~public or private entity~~] on terms and conditions established by
12 the commission. The commission[+]

13 [~~(1)~~] may require the repayment of any money spent by
14 the department for the cost of a toll facility [~~of a public entity,~~
15 ~~and~~

16 [~~(2)~~ ~~shall require the repayment of any money spent by~~
17 ~~the department for the cost of a toll facility of a private entity~~].

18 (c) A bond or other debt obligation issued by a
19 transportation corporation [~~public or private entity~~] to finance
20 the cost of a toll facility in which the department participates is
21 an obligation of the issuing entity and is not an obligation of this
22 state.

23 SECTION 2. Section [284.003](#)(d), Transportation Code, is
24 amended to read as follows:

1 (d) If the county constructs, acquires, improves, operates,
2 maintains, or pools a project under this chapter, before December
3 31 of each even-numbered year the county shall submit to the
4 department a plan for the project that includes the time schedule
5 for the project and describes the use of project funds. The plan
6 may provide for and permit the use of project funds and other
7 money~~[, including state or federal funds,]~~ available to the county
8 for roads, streets, highways, and other related facilities in the
9 county that are not part of a project under this chapter. A plan is
10 not subject to approval, supervision, or regulation by the
11 commission or the department, except that:

12 (1) ~~[any use of state or federal highway funds must be~~
13 ~~approved by the commission,~~

14 ~~[(2)]~~ any work on a highway in the state highway system
15 must be approved by the department; and

16 (2) ~~[(3)]~~ the department shall supervise and regulate
17 work on a highway in the state highway system.

18 SECTION 3. Section 284.006, Transportation Code, is amended
19 to read as follows:

20 Sec. 284.006. FEDERAL OR STATE AID. (a) A county may:

21 (1) accept from the United States or this state
22 assistance or a loan, gift, grant, or contribution to acquire,
23 construct, improve, maintain, pool, or operate a project under this
24 chapter; and

25 (2) enter into agreements with the United States or
26 this state for the acquisition, construction, improvement,
27 maintenance, pooling, or operation of the project.

1 (b) The commission or the department may provide a loan,
2 grant, contribution, or other assistance to a county for a project
3 only if the project:

4 (1) is in the state highway system; and

5 (2) is designed, constructed, operated, repaired, or
6 maintained by the county on behalf of the department.

7 SECTION 4. Section 284.008(a), Transportation Code, is
8 amended to read as follows:

9 (a) The commission may:

10 (1) [~~provide for and contribute toward the~~
11 ~~acquisition, construction, improvement, operation, maintenance, or~~
12 ~~pooling of a project under this chapter and under terms to which the~~
13 ~~commission and the local government corporation or county agree~~
14 ~~that are consistent with the rights of bondholders or a person~~
15 ~~operating the project under a lease or other contract,~~

16 [~~2~~] lease a project under terms:

17 (A) to which the county or local government
18 corporation acting under this chapter and the commission agree; and

19 (B) that are consistent with the bond instrument;

20 and

21 (2) [~~3~~] declare any part of a project under this
22 chapter to be a part of the state highway system and operate any
23 part of a project as part of the state highway system, to the extent
24 that property and contract rights in the project and bonds are not
25 affected unfavorably.

26 SECTION 5. Section 366.033, Transportation Code, is amended
27 by amending Subsection (a) and adding Subsection (m) to read as

1 follows:

2 (a) An authority, acting through its board, without state
3 approval, supervision, or regulation, may:

4 (1) adopt rules for the regulation of its affairs and
5 the conduct of its business;

6 (2) adopt an official seal;

7 (3) study, evaluate, design, acquire, construct,
8 maintain, repair, and operate turnpike projects, individually or as
9 one or more systems;

10 (4) acquire, hold, and dispose of property in the
11 exercise of its powers and the performance of its duties under this
12 chapter;

13 (5) enter into contracts or operating agreements with
14 similar authorities or agencies of the United States, a state of the
15 United States, the United Mexican States, or a state of the United
16 Mexican States;

17 (6) enter into contracts or agreements necessary or
18 incidental to its duties and powers under this chapter;

19 (7) cooperate and work directly with property owners
20 and governmental agencies and officials to support an activity
21 required to promote or develop a turnpike project or system;

22 (8) employ and set the compensation and benefits of
23 administrators, consulting engineers, attorneys, accountants,
24 construction and financial experts, superintendents, managers,
25 full-time and part-time employees, agents, consultants, and such
26 other persons as the authority considers necessary or useful;

27 (9) receive loans, gifts, grants, and other

1 contributions for the construction of a turnpike project or system
2 and receive contributions of money, property, labor, or other
3 things of value from any source, including the United States, a
4 state of the United States, the United Mexican States, a state of
5 the United Mexican States, [~~the commission, the department,~~] any
6 subdivision of the state, or any other local governmental or
7 private entity, to be used for the purposes for which the grants or
8 contributions are made, and enter into any agreement necessary for
9 the grants or contributions;

10 (10) install, construct, maintain, repair, renew,
11 relocate, and remove public utility facilities in, on, along, over,
12 or under a turnpike project;

13 (11) organize a corporation under Chapter 431 for the
14 promotion and development of turnpike projects and systems;

15 (12) adopt and enforce rules not inconsistent with
16 this chapter for the use of any turnpike project or system,
17 including traffic and other public safety rules;

18 (13) enter into leases, operating agreements, service
19 agreements, licenses, franchises, and similar agreements with
20 public or private parties governing the parties' use of all or any
21 portion of a turnpike project and the rights and obligations of the
22 authority with respect to a turnpike project; and

23 (14) do all things necessary or appropriate to carry
24 out the powers expressly granted by this chapter.

25 (m) The commission or the department may provide a loan,
26 grant, contribution, or other assistance to an authority for a
27 turnpike project only if the project:

1 (1) is on the state highway system; and

2 (2) is designed, constructed, operated, repaired, or
3 maintained by the authority on behalf of the department.

4 SECTION 6. Section 366.113(a), Transportation Code, is
5 amended to read as follows:

6 (a) The principal of, interest on, and any redemption
7 premium on bonds issued by an authority are payable solely from:

8 (1) the revenue of the turnpike project or system for
9 which the bonds are issued, including tolls pledged to pay the
10 bonds;

11 (2) payments made under an agreement with [~~the~~
12 ~~commission or~~] a local governmental entity as provided by
13 Subchapter G;

14 (3) money derived from any other source available to
15 the authority, other than money derived from a turnpike project
16 that is not part of the same system or money derived from a
17 different system, except to the extent that the surplus revenue of a
18 turnpike project or system has been pledged for that purpose; and

19 (4) amounts received under a credit agreement relating
20 to the turnpike project or system for which the bonds are issued.

21 SECTION 7. Section 366.174(b), Transportation Code, is
22 amended to read as follows:

23 (b) An authority may transfer into its revolving fund money
24 from any permissible source, including:

25 (1) money from a turnpike project if the transfer does
26 not diminish the money available for the project or the system, if
27 any, of which it is a part to less than an amount required to be

1 retained by the bond proceedings pertaining to the project or
2 system;

3 (2) money received by the authority from any source
4 and not otherwise committed, including money from the transfer of a
5 turnpike project or system or sale of authority assets; and

6 (3) [~~money received from the state highway fund; and~~

7 [~~4~~] contributions, loans, grants, or assistance
8 from the United States, another state, a political subdivision of
9 this state, a foreign governmental entity, including the United
10 Mexican States or a state of the United Mexican States, a local
11 governmental entity, any private enterprise, or any person.

12 SECTION 8. Section 370.033, Transportation Code, is amended
13 by amending Subsections (a) and (m) and adding Subsection (s) to
14 read as follows:

15 (a) An authority, through its board, may:

16 (1) adopt rules for the regulation of its affairs and
17 the conduct of its business;

18 (2) adopt an official seal;

19 (3) study, evaluate, design, finance, acquire,
20 construct, maintain, repair, and operate transportation projects,
21 individually or as one or more systems, provided that a
22 transportation project that is subject to Subpart C, 23 C.F.R. Part
23 450, is:

24 (A) included in the plan approved by the
25 applicable metropolitan planning organization; and

26 (B) consistent with the statewide transportation
27 plan and the statewide transportation improvement program;

1 (4) acquire, hold, and dispose of property in the
2 exercise of its powers and the performance of its duties under this
3 chapter;

4 (5) enter into contracts or operating agreements with
5 a similar authority, another governmental entity, or an agency of
6 the United States, a state of the United States, the United Mexican
7 States, or a state of the United Mexican States;

8 (6) enter into contracts or agreements necessary or
9 incidental to its powers and duties under this chapter;

10 (7) cooperate and work directly with property owners
11 and governmental entities and officials to support an activity
12 required to promote or develop a transportation project;

13 (8) employ and set the compensation and benefits of
14 administrators, consulting engineers, attorneys, accountants,
15 construction and financial experts, superintendents, managers,
16 full-time and part-time employees, agents, consultants, and other
17 persons as the authority considers necessary or useful;

18 (8-a) participate in the state travel management
19 program administered by the comptroller for the purpose of
20 obtaining reduced airline fares and reduced travel agent fees,
21 provided that the comptroller may charge the authority a fee not to
22 exceed the costs incurred by the comptroller in providing services
23 to the authority;

24 (9) notwithstanding Sections [221.003](#) and [222.031](#) and
25 subject to Subsections (j), ~~and~~ (m), and (s), apply for, directly
26 or indirectly receive and spend loans, gifts, grants, and other
27 contributions for any purpose of this chapter, including the

1 construction of a transportation project, and receive and spend
2 contributions of money, property, labor, or other things of value
3 from any source, including the United States, a state of the United
4 States, the United Mexican States, a state of the United Mexican
5 States, the commission, the department, a subdivision of this
6 state, or a governmental entity or private entity, to be used for
7 the purposes for which the grants, loans, or contributions are
8 made, and enter into any agreement necessary for the grants, loans,
9 or contributions;

10 (10) install, construct, or contract for the
11 construction of public utility facilities, direct the time and
12 manner of construction of a public utility facility in, on, along,
13 over, or under a transportation project, or request the removal or
14 relocation of a public utility facility in, on, along, over, or
15 under a transportation project;

16 (11) organize a corporation under Chapter 431 for the
17 promotion and development of transportation projects;

18 (12) adopt and enforce rules not inconsistent with
19 this chapter for the use of any transportation project, including
20 tolls, fares, or other user fees, speed and weight limits, and
21 traffic and other public safety rules, provided that an authority
22 must consider the same factors that the Texas Turnpike Authority
23 division of the department must consider in altering a prima facie
24 speed limit under Section [545.354](#);

25 (13) enter into leases, operating agreements, service
26 agreements, licenses, franchises, and similar agreements with a
27 public or private party governing the party's use of all or any

1 portion of a transportation project and the rights and obligations
2 of the authority with respect to a transportation project;

3 (14) borrow money from or enter into a loan agreement
4 or other arrangement with the state infrastructure bank, the
5 department, or the commission, subject to Subsection (s), or with
6 any other public or private entity; and

7 (15) do all things necessary or appropriate to carry
8 out the powers and duties expressly granted or imposed by this
9 chapter.

10 (m) If an authority receives money from the general revenue
11 fund, the Texas Mobility Fund, or the state highway fund it may use
12 the money only to acquire, design, finance, construct, operate, or
13 maintain a turnpike project under Section 370.003(14)(A) or (D) or
14 a transit system under Section 370.351, except that money received
15 from the Texas Mobility Fund or the state highway fund may be used
16 only as provided by Subsection (s).

17 (s) The commission or the department may provide a loan,
18 grant, contribution, or other assistance to an authority for a
19 turnpike project only if the project:

20 (1) is on the state highway system; and

21 (2) is designed, constructed, operated, repaired, or
22 maintained by the authority on behalf of the department.

23 SECTION 9. Section 370.173, Transportation Code, is amended
24 by adding Subsection (e) to read as follows:

25 (e) Money received from the state highway fund may only be
26 spent or advanced from the revolving fund for a transit system under
27 Section 370.351 or for a turnpike project that:

1 (1) is on the state highway system; and
2 (2) is designed, constructed, operated, repaired, or
3 maintained by the authority on behalf of the department.

4 SECTION 10. Sections 222.103(f), 284.008(b), 366.301, and
5 370.301, Transportation Code, are repealed.

6 SECTION 11. (a) The changes in law made by this Act apply
7 only to a loan, grant, contribution, or other assistance provided
8 by the Texas Department of Transportation on or after the effective
9 date of this Act.

10 (b) The repeal by this Act of Sections 222.103(f),
11 284.008(b), 366.301, and 370.301, Transportation Code, does not
12 affect any obligations outstanding immediately before the
13 effective date of this Act.

14 (c) A loan, grant, contribution, or other assistance
15 provided before the effective date of this Act is governed by the
16 law in effect on the date the loan, grant, contribution, or other
17 assistance is provided, and the former law is continued in effect
18 for that purpose.

19 SECTION 12. This Act takes effect September 1, 2015.