BILL ANALYSIS

C.S.H.B. 457 By: McClendon Transportation Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that, although the Texas rail relocation and improvement fund was approved by voters and intended to provide a dedicated method of financing the relocation and improvement of rail facilities, there has been no revenue deposited in the fund to date. The parties note that, while utilization of rail will not replace motor vehicle traffic, the use of rail for freight transportation plays a key part in interstate and intrastate commerce. Additionally, the use of passenger rail offers the opportunity for relief from traffic on congested roadways. These parties further contend that rail transportation not only remains reliable but could also become an increasingly important economic driver for the state in the future. C.S.H.B. 457 seeks to address this issue by providing for funding for the rail relocation and improvement fund.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

C.S.H.B. 457 amends the Health and Safety Code and the Transportation Code to make a rail project, including a rail relocation and improvement project, that meets the criteria of a program established under the Texas emissions reduction plan eligible to receive a grant or other funding from the Texas emissions reduction plan fund, including a grant or other funding out of money deposited to the fund under Transportation Code provisions requiring the allocation of a certain amount of non-dedicated state highway fund money to the Texas emissions reduction plan fund.

C.S.H.B. 457 amends the Health and Safety Code to postpone the expiration date of statutory provisions governing the Texas emissions reduction plan from August 31, 2019, to August 31, 2023, and amends the Transportation Code to postpone the expiration date of provisions relating to the deposit of certain amounts in that fund, including provisions relating to the eligibility of a rail project to receive grants from the fund as added by the bill, from August 31, 2019, to August 31, 2023.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 457 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 386.002, Health and Safety Code, is amended to read as follows: Sec. 386.002. EXPIRATION. This chapter expires August 31, 2025 [2019].

No equivalent provision.

SECTION 2. Section 501.138. Transportation Code, is amended by amending Subsections (b-2) and (b-3) and adding Subsection (b-4) to read as follows: (b-2) This subsection applies only during fiscal years 2016-2025. The comptroller shall establish a record of the amount of the fees deposited to the credit of the Texas Mobility Fund under Subsection (b-1). On or before the fifth workday of each month, the Texas Department of Transportation shall remit to the comptroller an amount of money from the state highway fund equal to the amount of the fees deposited to the credit of the Texas Mobility Fund under Subsection (b-1) in the preceding month. The comptroller shall:

(1) deposit \$250 million of the remitted money to the credit of the rail relocation and improvement fund each fiscal year; and

(2) [for] deposit the remainder to the credit of the Texas emissions reduction plan fund [an amount of money equal to the amount of the fees deposited by the comptroller to the credit of the Texas Mobility Fund under Subsection (b-1) in the preceding month].

(b-3) The Texas Department of Transportation shall use for the remittance to the comptroller [as] required by HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 386.002, Health and Safety Code, is amended to read as follows: Sec. 386.002. EXPIRATION. This chapter expires August 31, 2023 [2019].

SECTION 2. Subchapter F, Chapter 386, Health and Safety Code, is amended by adding Section 386.253 to read as follows: Sec. 386.253. RAIL PROJECTS. A rail project, including a rail relocation and improvement project, that meets the criteria of a program established under this chapter is eligible to receive a grant or other funding from the Texas emissions reduction plan fund.

SECTION 3. Sections 501.138(b-2) and (b-3), Transportation Code, are amended to read as follows:

(b-2) The comptroller shall establish a record of the amount of the fees deposited to the credit of the Texas Mobility Fund under Subsection (b-1). On or before the fifth workday of each month, the Texas Department of Transportation shall remit to the comptroller for deposit to the credit of the Texas emissions reduction plan fund an amount of money equal to the amount of the fees deposited by the comptroller to the credit of the Texas Mobility Fund under Subsection (b-1) in the preceding month.

The Texas Department of Transportation shall use for remittance to the comptroller as required by this subsection money in the

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<u>Subsection (b-2)</u> [this subsection] money in the state highway fund that is not required to be used for a purpose specified by Section 7-a, Article VIII, Texas Constitution, and may not use for that remittance money received by this state under the congestion mitigation and air quality improvement program established under 23 U.S.C. Section 149.

(b-4) [(b-3)] This subsection and Subsections [Subsection] (b-2) and (b-3) expire August 31, 2025 [2019].

SECTION 3. This Act takes effect September 1, 2015.

state highway fund that is not required to be used for a purpose specified by Section 7-a, Article VIII, Texas Constitution, and may not use for that remittance money received by this state under the congestion mitigation and air quality improvement program established under 23 U.S.C. Section 149. <u>A</u> rail project, including a rail relocation and improvement project, that meets the criteria of a program established under the Texas emissions reduction plan is eligible to receive a grant or other funding from the Texas emissions reduction plan fund out of money deposited to the fund under this subsection.

(b-3) This subsection and Subsection (b-2) expire August 31, 2023 [2019].

SECTION 4. This Act takes effect immediately if it receives a vote of twothirds 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 Act takes effect September 1, 2015.