

- SUBJECT:** Conflicts of interest of MPO policy board members
- COMMITTEE:** Transportation — committee substitute recommended
- VOTE:** 8 ayes — Krusee, Phillips, Callegari, Casteel, Deshotel, Hamric, Hill, West
0 nays
1 absent — Flores
- WITNESSES:** None
- BACKGROUND:** Metropolitan Planning Organizations (MPOs) are agencies created by federal law to provide local input for transportation planning and allocating federal transportation dollars in cities with populations greater than 50,000.
- The objective of MPOs is to provide comprehensive, coordinated, and continuous transportation planning for the safe and efficient transport of people and goods while simultaneously considering the economic vitality of a region. There are more than 300 MPOs around the United States. Each MPO is guided by a policy board of local elected officials, officials of local transportation agencies, and state officials.
- Local Government Code, ch. 171, regulates conflicts of interest for officers of municipalities, counties and certain local governments. This chapter applies to school board members, city and county officials, and some other officials. Under ch. 171, officials must declare their interests in a particular businesses or property and abstain from participating in decisions related to their interests. Violation of this provision is a class A misdemeanor (up to one year in jail and/or a maximum fine of \$4,000).
- DIGEST:** HB 1036 would subject MPO policy board members to the rules and penalties concerning conflicts of interest in Local Government Code, ch. 171. MPO policy board members would have to sign affidavits stating the nature and extent of their interests in a particular businesses or property and abstain from any decision-making or voting that related to their interests. An MPO policy board member with a conflict of interest could

not appoint a proxy in the event of an absence because of that conflict.

The bill would take effect September 1, 2005.

**SUPPORTERS
SAY:**

HB 1036 would increase transparency in MPOs, which is important because they have the power to make decisions about citizens' tax dollars. Given that toll roads have become the preferred avenue of transportation planning in recent years in Texas, it is even more important that policy board members at MPOs be required to abide by conflict of interest legislation. The lucrative nature of toll projects necessitates their closer regulation to prevent interested parties from misusing toll revenue. Furthermore, it generally is a good government practice to require that officials charged with making major public policy decisions be subject to conflict of interest rules.

MPO policy board members should not be able to appoint proxies in the event a conflict of interest arises. An appointed proxy often would act in the interests of the board member with the conflict. MPO policy boards often have close votes on important issues and such decisions should be made by members of the board rather than appointed proxies.

**OPPONENTS
SAY:**

HB 1036 is unnecessary because most MPO policy board members are public officials and already are subject to conflict of interest regulations as a result of those positions. Unlike board members at Regional Mobility Authorities (RMAs), MPO policy board members have not been accused of making decisions for their own personal gain.

NOTES:

The committee substitute differs from the original in that the substitute would not allow MPO policy board members with conflicts of interest to appoint proxy members in the instance of their absence due to the conflict.