

- SUBJECT:** Adding a category for existing formula funding of public transportation
- COMMITTEE:** Transportation — favorable, without amendment
- VOTE:** 10 ayes — Morrison, Martinez, Burkett, Y. Davis, Goldman, Israel, Minjarez, Phillips, E. Thompson, Wray
- 0 nays
- 2 absent — Pickett, S. Thompson
- 1 present not voting — Simmons
- WITNESSES:** For — John McBeth, Public Transportation Advisory Committee (*Registered, but did not testify:* Elizabeth Bruchez, Association For Community Transit; Jeff Heckler, Brazos Transit; Eric Bustos, Capital Metro; Robert Flores, Texas Citizens Action Network; Jennifer McEwan and Jim Pitts, Texas Transit Association; Drew Scheberle, The Greater Austin Chamber of Commerce)
- Against — None
- On — Eric Gleason and Marc Williams, Texas Department of Transportation; Carlos Leon
- BACKGROUND:** Transportation Code, sec. 456.021 requires the Texas Transportation Commission to distribute certain public transportation funding to local entities in accordance with formulas developed by the commission. The commission allocates certain amounts to three categories of areas based on population: urban, urbanized, and rural. Sec. 456.001 defines an “urbanized area” as one with a population greater than 50,000, as determined by the U.S. Census Bureau.
- DIGEST:** HB 1140 would rename the three categories of areas to which the commission allocates public transportation funding. It would split the current "urbanized" category into two separate categories: a “large

urbanized area,” with a population of 200,000 or more, and a “small urbanized area” with a population greater than 50,000 but less than 200,000. The bill also would use the term "nonurbanized" area instead of rural area to conform with an existing definition in sec. 456.001.

This bill would take effect September 1, 2017.

**SUPPORTERS
SAY:**

HB 1140 would level the playing field between cities when competing for formula funding for public transportation. Currently, small urbanized areas must compete for funding in the same category as large urbanized areas, even though the formulas favor areas with greater population and thus more demand for transportation services.

Texas is growing, and more cities are joining the urbanized category while funding for the category has been flat, so the same amount of money is being split in more ways. Five more areas are projected to join the urbanized category following the 2020 census. Compounding this phenomenon is the fact that fewer areas are leaving the urbanized classification by creating transit authorities. The bill would stop this decline in the effectiveness of public transportation formula funding by creating a separate category, allowing areas to compete with their peers and the Texas Transportation Commission to allocate any new appropriations more specifically where they were most needed.

This bill would not actually increase or reduce the funding available to any area without a separate appropriation by the Legislature. By more fairly distributing funds, it could help localities secure more federal matching dollars, making existing public transportation spending in those areas more cost effective.

**OPPONENTS
SAY:**

No apparent opposition.

NOTES: A companion bill, SB 1334 by Hinojosa, was considered during a public hearing of the Senate Transportation Committee on April 19.