20-year period. Notwithstanding Chapter 2302, the entity may equip the facility with a combined heating and power system if the expected energy savings exceed the expected costs.

(b) The State Energy Conservation Office shall establish guidelines for the evaluation under Subsection (a).

SECTION 2. Chapter 2311, Government Code, as added by Chapter 1408 (H.B. 4409), Acts of the 81st Legislature, Regular Session, 2009, is repealed.

SECTION 3. This Act takes effect September 1, 2013.

Passed by the House on April 23, 2013: Yeas 145, Nays 2, 2 present, not voting; the House concurred in Senate amendments to H.B. No. 1864 on May 24, 2013: Yeas 144, Nays 0; 2 present, not voting; passed by the Senate, with amendments, on May 22, 2013: Yeas 31, Nays 0.

Approved June 14, 2013.

Effective September 1, 2013.

CHAPTER 1134

H.B. No. 2300

AN ACT relating to funding and donations for county transportation projects, including projects of county energy transportation reinvestment zones.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subchapter E, Chapter 222, Transportation Code, is amended by adding Sections 222.1071 and 222.1072 to read as follows:

Sec. 222.1071. COUNTY ENERGY TRANSPORTATION REINVESTMENT ZONES.
(a) A county shall determine the amount of the tax increment for a county energy transportation reinvestment zone in the same manner the county would determine the tax increment as provided in Section 222.107(a) for a county transportation reinvestment zone.

(b) A county, after determining that an area is affected by oil and gas exploration and production activities, by order or resolution of the commissioners court:

(1) may designate a contiguous geographic area in the jurisdiction of the county to be a county energy transportation reinvestment zone to promote one or more specified transportation projects located in the zone; and

(2) may jointly administer a county energy transportation reinvestment zone in conjunction with another county or counties, as provided by Subsection (o).

(c) A commissioners court must comply with all applicable laws in the application of this chapter.

(d) Not later than the 30th day before the date a commissioners court proposes to designate an area as a county energy transportation reinvestment zone under this section, the commissioners court must hold a public hearing on the creation of the zone and its benefits to the county and to property in the proposed zone. At the hearing an interested person may speak for or against the designation of the zone, its boundaries, the joint administration of a zone in another county, or the use of tax increment paid into the tax increment account.

(e) Not later than the seventh day before the date of the hearing, notice of the hearing and the intent to create a zone must be published in a newspaper having general circulation in the county.

(f) The order or resolution designating an area as a county energy transportation reinvestment zone must:

(1) describe the boundaries of the zone with sufficient definiteness to identify with ordinary and reasonable certainty the territory included in the zone;
provide that the zone takes effect immediately on adoption of the order or resolution and that the base year shall be the year of passage of the order or resolution or some year in the future;

assign a name to the zone for identification, with the first zone designated by a county designated as "County Energy Transportation Reinvestment Zone Number One, (name of county)," and subsequently designated zones assigned names in the same form numbered consecutively in the order of their designation;

establish an ad valorem tax increment account for the zone or provide for the establishment of a joint ad valorem tax increment account, if applicable; and

name the advisory board for the zone or the county's members on a joint advisory board, as applicable, as provided by Section 222.1072.

Compliance with the requirements of this section constitutes designation of an area as a county energy transportation reinvestment zone without further hearings or other procedural requirements.

The county may, from taxes collected on property in a zone, pay into a tax increment account for the zone or zones an amount equal to the tax increment produced by the county less any amounts allocated under previous agreements, including agreements under Section 381.004, Local Government Code, or Chapter 312, Tax Code.

Tax increment paid into a tax increment account may not be pledged as security for bonded indebtedness.

The commissioners court may pledge money in the tax increment account:

1. to provide funding for one or more specified transportation projects located in the zone; and

2. to a road utility district formed as provided by Subsection (k).

In the alternative, to assist the county in developing a transportation project, if authorized by the commission under Chapter 441, a road utility district may be formed under that chapter that has the same boundaries as a county energy transportation reinvestment zone created under this section. The road utility district may issue bonds to pay all or part of the cost of a transportation project and may pledge and assign all or a specified amount of money in the tax increment account to secure those bonds if the county:

1. collects a tax increment; and

2. pledges all or a specified amount of the tax increment to the road utility district.

A road utility district formed as provided by Subsection (k) may enter into an agreement to fund development of a project or to repay funds owed to the department. Any amount paid for this purpose is considered to be an operating expense of the district. Any taxes collected by the district that are not paid for this purpose may be used for any district purpose.

To accommodate changes in the limits of the project for which a zone was designated, the boundaries of a zone may be amended at any time, except that property may not be added to a zone unless the commissioners court of the county complies with Subsections (d), (e), and (f).

A county energy transportation reinvestment zone terminates on December 31 of the 10th year after the year the zone was designated, if before that date the county has not used the zone for the purpose for which it was designated.

The commissioners courts of two or more counties that have designated a county energy transportation reinvestment zone under this section for the same transportation project or projects may enter into an agreement to provide for the joint administration of the zones.

The commissioners court of a county may enter into an agreement with the department to designate a county energy transportation reinvestment zone under this section for a specified transportation project involving a state highway located in the proposed zone.

Sec. 222.1072. ADVISORY BOARD OF COUNTY ENERGY TRANSPORTATION RE-INVESTMENT ZONE. (a) Except as provided by Subsection (b), the advisory board of a
county energy transportation reinvestment zone consists of the following members appointed by the county judge and approved by the county commissioners court:

(1) three oil and gas company representatives who perform company activities in the county and are local taxpayers; and

(2) two public members who are active in civic affairs.

(b) County energy transportation reinvestment zones that are jointly administered are advised by a single joint advisory board for the zones. A joint advisory board under this subsection consists of members appointed under Subsection (a) for each zone to be jointly administered.

(c) An advisory board member may not receive compensation for service on the board or reimbursement for expenses incurred in performing services as a member.

SECTION 2. Section 222.110(e), Transportation Code, is amended to read as follows:

(e) The sales and use taxes to be deposited into the tax increment account under this section may be disbursed from the account only to:

(1) pay for projects authorized under Section 222.104, including the repayment of amounts owed under an agreement entered into under that section; and

(2) notwithstanding Sections 321.506 and 323.505, Tax Code, satisfy claims of holders of tax increment bonds, notes, or other obligations issued or incurred for projects authorized under Section 222.104 or 222.1071.

SECTION 3. Subchapter A, Chapter 251, Transportation Code, is amended by adding Section 251.018 to read as follows:

Sec. 251.018. DONATIONS. (a) A commissioners court may accept donations of labor, money, or other property to aid in the building or maintaining of roads, culverts, or bridges in the county if the commissioners court enters into an agreement of release of liability regarding the donations.

(b) A county operating under the county road department system on September 1, 2013, may use the authority granted under this section without holding a new election under Section 252.301.

SECTION 4. This Act takes effect September 1, 2013.

Passed by the House on April 25, 2013: Yeas 134, Nays 2, 2 present, not voting; passed by the Senate on May 17, 2013: Yeas 30, Nays 0.

Approved June 14, 2013.
Effective September 1, 2013.

CHAPTER 1135

H.B. No. 2741

AN ACT
relating to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles; authorizing a fee; creating an offense.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 348.005, Finance Code, is amended to read as follows:

Sec. 348.005. ITEMIZED CHARGE. An amount in a retail installment contract is an itemized charge if the amount is not included in the cash price and is the amount of:

(1) fees for registration, certificate of title, and license and any additional registration fees charged by a [full-service] deputy as authorized by rules adopted under Section 520.0071, Transportation Code;

(2) any taxes;