

## **BILL ANALYSIS**

Senate Research Center  
77R3896 JD-D

S.B. 342  
By: Shapiro  
State Affairs  
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### **DIGEST AND PURPOSE**

Currently, the state constitution prevents the state from contributing a portion of the cost of a toll project without repayment. Many toll projects are not built because they fail to generate enough revenue to pay for themselves. The Texas Department of Transportation (TxDOT), acting on behalf of the state, cannot fund these much needed projects in a timely manner because necessary funding is not available. As proposed, S.B. 342 allows the state, through TxDOT, to contribute a portion of the cost of a toll project without a requirement for repayment.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Transportation Commission in SECTION 1 (Section 222.103, Transportation Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 222.103, Transportation Code, to authorize the Texas Department of Transportation (department) to participate, by spending money from any available source, in the cost of the acquisition of a toll facility of a public or private entity on terms and conditions established by the Texas Transportation Commission (commission). Authorizes the commission to require the repayment of any money spent by the department for the cost of a toll facility of a public entity and requires the commission to require the repayment of any money spent by the department for the cost of a toll facility of a private entity. Deletes language regarding the inclusion of requirements for repayment. Requires money repaid as required by the commission to be deposited to the credit of the fund from which the expenditure was made. Provides that a bond or other debt obligation issued by a public or private entity to finance the cost of a toll facility in which the department participates is an obligation of the issuing entity and prohibits such from being an obligation of this state. Deletes language regarding an entity receiving cost participation from the department under this section being a successor agency to the Texas Turnpike Authority for the purposes of Section 52b (Loan of State's Credit or Grant of Public Money for Toll Road Purposes; Exception), Article III, Texas Constitution. Requires the department to notify each member of the legislature that represents any part of the area affected by the project of the status of the project and how any other project in any other district would be affected on request of a member of the legislature not later than the 90th day before the date an expenditure is made by the department for a project under this section. Provides that this section applies to any participation by the department in the cost of a project under Chapter 284, 361, or 366. Requires the commission to adopt rules to implement Subsection (a).

SECTION 2. Amends Section 361.184(b), Transportation Code, to delete language authorizing the board of directors of the Texas Turnpike Authority (authority) to transfer, or direct the authority to transfer, into the project revolving fund money from money received from the state high way fund if the advances are repaid as required by Section 52b, Article III, Texas Constitution. Makes a conforming change.

SECTION 3. Amends Section 361.191, Transportation Code, to authorize the department to provide for the expenditure of money for the cost of the acquisition, construction, maintenance, or operation of

a turnpike project by the authority. Authorizes the department to require the authority to repay money provided under this section from toll revenue or other sources on terms established by the commission. Requires money repaid as required by the department to be deposited to the credit of the fund from which the money was provided.

SECTION 4. Amends Section 362.004(e) and (f), Transportation Code, to authorize the commission, if the department spends money under an agreement under this section, to require the authority to repay the money from toll revenue or other sources on terms established by the commission. Requires money repaid as required by the commission to be deposited to the credit of the fund from which the expenditure was made. Makes conforming changes.

SECTION 5. Amends Section 366.174(b), Transportation Code, to authorize an authority to transfer into its revolving fund money received from the state highway fund, rather than advances authorized under Section 52b, Article III, Texas Constitution.

SECTION 6. Amends Section 366.301(c), Transportation Code, to authorize the commission or department to require money contributed by the commission or department (rather than money spent from the state highway fund) under this section to be repaid from tolls or other revenue of the turnpike project or system on which the money was spent. Makes conforming changes.

SECTION 7. Repealer: Section 361.055 (Successor Agency to Authority), Transportation Code.

SECTION 8. Makes the application of this Act contingent upon passage of S.J.R. 12.