BILL ANALYSIS

Senate Research Center

S.B. 991 By: Ogden Transportation & Homeland Security 3/9/2007 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, surplus toll revenues from toll projects operated by the Texas Department of Transportation (TxDOT), regional tollway authorities, and regional mobility authorities may be used to pay for other toll projects in the region. This leads to the collection of tolls long after a toll project has been paid for. Current law does not address for the length of time that a toll project entity is authorized to collect tolls on a toll project.

As proposed, S.B. 991 provides that once the acquisition and construction costs of a toll project have been paid for, the project becomes a part of the Texas highway system and the collection of tolls on the project must cease.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 228.104(a), Transportation Code, to delete surplus revenue of outside projects or systems as a source of payment for bonds issued by the Texas Transportation Commission (commission) under this subchapter (Toll Revenue Bonds).

SECTION 2. Amends Section 228.105, Transportation Code, to delete surplus revenue of outside toll projects or systems as a source of payment or security for bonds issued by the commission.

SECTION 3. Amends Section 366.113(a), Transportation Code, to delete surplus revenue of outside turnpike projects or systems, pledged for the purpose of payment of other project bonds, as a source of payment for bonds issued by a regional tollway authority.

SECTION 4. Amends Section 370.113(a), Transportation Code, to exempt surplus revenue of outside turnpike projects or systems, pledged for the purpose of payment of other project bonds, from being used as a source of payment of bonds issued by regional mobility authority.

SECTION 5. Amends Section 370.174(a), Transportation Code, to require an authority, each year, if it determines that it has surplus revenue from transportation projects, other than turnpike projects, to reduce tolls, spend the surplus revenue on other transportation projects in the counties of the authority in accordance with Subsection (b), or deposit the surplus revenue to the credit of the Texas Mobility Fund.

exempt tolls from a turnpike project from being reduced, spent on other projects, or deposited to the credit of the Texas Mobility Fund, in the case that an authority determines that it has obtained surplus revenue from the project.

SECTION 6. Amends Subtitle G, Title 6, Transportation Code, by adding Chapter 371, as follows:

CHAPTER 371. PROVISIONS APPLICABLE TO MORE THAN ONE TYPE OF TOLL PROJECT

SRC-AAM S.B. 991 80(R)

Sec. 371.001. CESSATION OF TOLLS. (a) Defines "toll project" and "toll project entity."

(b) Provides that a toll project becomes a part of the state highway system and requires the commission to maintain the project without tolls when the costs of acquisition and construction are paid and either all the bonds and interest on the bonds that are payable from or secured by revenues have been paid or a sufficient amount for the payment of those monies has been set aside in a trust fund held for the benefit of the bondholders.

SECTION 7. Repealer: Sections 228.006 (regarding the use of surplus revenue of a toll project or system to fund other projects), 228.109(d) (regarding the use of surplus tolls to fund air quality projects), 284.008(c) and (d) (regarding the authorization of a county to request a toll project be prevented from becoming a toll-free highway automatically after its construction costs are paid), and 366.175 (regarding the use of surplus revenue of a turnpike project or system to fund other projects), Transportation Code.

SECTION 8. Effective date: upon passage or September 1, 2007.