BILL ANALYSIS

Senate Research Center 83R19857 VOO-F

C.S.S.B. 1461
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Transportation
4/10/2013
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Dallas Area Rapid Transit Authority (DART) is in discussions with the City of Arlington regarding the possible operation of test express bus service to The University of Texas at Arlington. Current law clearly allows cities within the counties in which DART has member cities to join DART but is unclear on the ability of cities beyond the county line to join.

C.S.S.B. 1461 removes ambiguity in current law by allowing a municipality in a county adjoining a county in DART's authority to join DART.

This statute also governs the Fort Worth Transportation Authority (The T) and the change in law would also apply to The T.

C.S.S.B. 1461 amends current law relating to addition of certain municipalities to the territory of a regional transportation authority.

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 452.6025, Transportation Code, as follows:

Sec. 452.6025. ADDITION OF CERTAIN MUNICIPALITIES BY ELECTION. (a) Redefines "special sales and use tax" in this section.

- (b) Provides that this section applies only to a municipality that levies a special sales and use tax that, when combined with the authority's sales and use tax, would result in a sales and use tax rate of more than two percent in the territory of the municipality.
- (c) Authorizes a municipality that does not have territory that is part of a regional transportation authority (authority), rather than authorizes a municipality, notwithstanding Section 452.606 (Executive Committee Approval of Annexation: Effective Date) that is not part of an authority, to be added to the territory of an authority on a date determined by the authority directors who serve as the governing body of the authority (executive committee) if:
 - (1) any part of the territory of the municipality is located in a county in which the authority has territory or in a county that is adjacent to a county in which the authority has territory;
 - (2) the executive committee states, by resolution, the authority's intention to provide transportation services in the territory of the municipality;

- (3) the governing body of the municipality calls an election on the addition of the territory of the municipality to the territory of the authority; and
- (4) a majority of the votes cast in the election favor the proposition.

Makes nonsubstantive changes.

- (d) Provides that the election in a municipality to approve the addition of the territory of the municipality to the territory of the authority is to be treated for all purposes as an election to reduce the rate of the municipality's special sales and use tax, on the effective date determined by the executive committee, to the highest rate that will not impair the imposition of the authority's sales and use tax.
- (e) Authorizes the executive committee and the governing body of the municipality, at any time after the date of the election approving the addition of the territory of the municipality to the territory of the authority, to enter into an interlocal agreement that provides for the eventual admission of the territory of the municipality to the territory of the authority.
- (f) Provides that a sales and use tax imposed by the authority, notwithstanding Section 452.607 (Added Territory: Effective Date of Taxes), takes effect in the territory of the municipality on the first day of the first calendar quarter that begins after the date the comptroller receives a certified copy of an order adopted by the executive committee adding the territory of the municipality, accompanied by a map of the authority clearly showing the territory added.

SECTION 2. Effective date: upon passage, or September 1, 2013.