

BILL ANALYSIS

Senate Research Center
85R18819 JTS-F

C.S.S.B. 385
By: Burton
Transportation
3/23/2017
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties assert that in 2006, Tarrant County voters authorized a \$200 million bond that did not include commuter rail, only to have \$20 million of the bond revenue later diverted to the TexRail—a commuter rail project. Interested parties further assert that all told, the TexRail commuter line is estimated to cost \$1 billion, with approximately half of that sum in federal funds and that for the remainder of the cost, local taxpayers are expected to contribute \$500 million in the form of debt or additional local spending despite the fact that not a single voter was consulted on the project.

Interested parties claim that local governments have an incentive to spend taxpayer dollars and authorize debt in pursuit of federal funds, that commuter rail projects incur ongoing operating costs, and that the state has a compelling interest to ensure that citizens weigh-in on these important matters through an authorization election.

C.S.S.B. 385 requires municipalities with a segment or facility of a proposed commuter rail project to hold a public vote to approve acceptance of federal funds for construction of a commuter rail project that is undertaken by a transit district. This authorization is in effect for five years from the date of authorization, after which time, a new election is required.

Supporters of this legislation contend that empowering citizens with a greater voice in major transportation infrastructure investment decisions is vital to secure accountability for local governments.

C.S.S.B. 385 amends current law relating to voter approval of local acceptance and use of federal funds for commuter rail projects.

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 the heading to Subtitle B, Title 5, Transportation Code, to read as follows:

SUBTITLE B. STATE AND LOCAL RAIL FACILITIES

SECTION 2. Amends Subtitle B, Title 5, Transportation Code, by adding Chapter 92, as follows:

CHAPTER 92. LOCAL RAIL FACILITIES

Sec. 92.001. VOTER APPROVAL FOR ACCEPTANCE AND USE OF FEDERAL FUNDS FOR COMMUTER RAIL PROJECTS. (a) Prohibits a political subdivision from accepting, including through the Texas Department of Transportation (TxDOT), or using federal funds for the construction of a commuter rail project, including for the repayment of debt issued for a project, unless:

- (1) the governing body of each municipality in which a station or track segment of the project is located or proposed to be located holds an

election called for the purpose of authorizing the acceptance or use of the funds; and

(2) a majority of the votes cast at each election favor the adoption of the proposition.

(b) Prohibits a political subdivision authorized to use federal funds for a project that has not begun to construct the project before the fifth anniversary of the date of the election from using the funds unless:

(1) the governing body of each municipality in which a station or track segment of the project is located or proposed to be located holds an election called for the purpose of authorizing use of the funds; and

(2) a majority of the votes cast at each election favor the adoption of the proposition.

(c) Prohibits a political subdivision, a metropolitan planning organization, or TxDOT to include in a transportation plan adopted by the entity a commuter rail project that may be financed wholly or partly with federal funds unless acceptance or use of federal funds has been approved as required.

SECTION 3. Effective date: upon passage or September 1, 2017.