

# CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5-24-2011

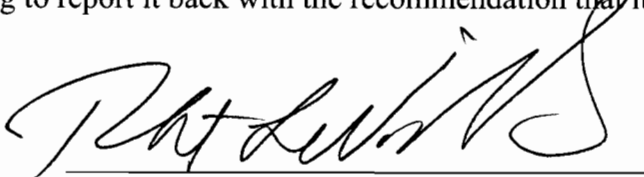
Date

Honorable David Dewhurst  
President of the Senate

Honorable Joe Straus  
Speaker of the House of Representatives

Sirs:

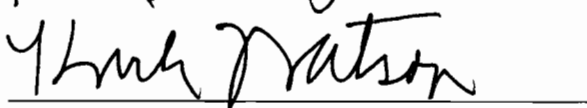
We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HB 1112 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

  
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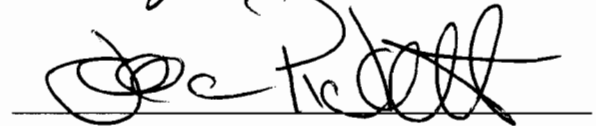
  
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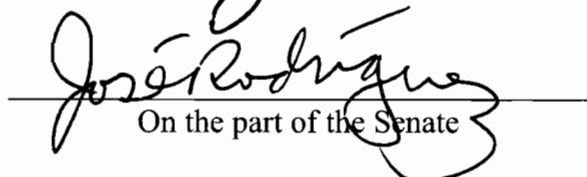
  
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On the part of the Senate

On the part of the House

## Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

# CONFERENCE COMMITTEE REPORT

3<sup>rd</sup> Printing

H.B. No. 1112

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the authority and powers of regional mobility  
3 authorities.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Sections 370.003(12) and (14), Transportation  
6 Code, are amended to read as follows:

7 (12) "Surplus revenue" means revenue that exceeds:

8 (A) an authority's debt service requirements for a  
9 transportation project, including the redemption or purchase price  
10 of bonds subject to redemption or purchase as provided in the  
11 applicable bond proceedings;

12 (A-1) an authority's payment obligations under a  
13 contract or agreement authorized by this chapter;

14 (B) coverage requirements of a bond indenture for a  
15 transportation project;

16 (C) costs of operation and maintenance for a  
17 transportation project;

18 (D) cost of repair, expansion, or improvement of a  
19 transportation project;

20 (E) funds allocated for feasibility studies; and

21 (F) necessary reserves as determined by the  
22 authority.

- 1           (14) "Transportation project" means:
- 2                   (A) a turnpike project;
- 3                   (B) a system;
- 4                   (C) a passenger or freight rail facility,
- 5 including:
- 6                   (i) tracks;
- 7                   (ii) a rail line;
- 8                   (iii) switching, signaling, or other operating
- 9 equipment;
- 10                  (iv) a depot;
- 11                  (v) a locomotive;
- 12                  (vi) rolling stock;
- 13                  (vii) a maintenance facility; and
- 14                  (viii) other real and personal property
- 15 associated with a rail operation;
- 16                  (D) a roadway with a functional classification
- 17 greater than a local road or rural minor collector;
- 18                  (E) a ferry;
- 19                  (F) an airport, other than an airport that on
- 20 September 1, 2005, was served by one or more air carriers engaged
- 21 in scheduled interstate transportation, as those terms were defined
- 22 by 14 C.F.R. Section 1.1 on that date;
- 23                  (G) a pedestrian or bicycle facility;
- 24                  (H) an intermodal [~~intermodal~~] hub;
- 25                  (I) an automated conveyor belt for the movement of

1 freight;

2 (J) a border crossing inspection station;

3 (K) an air quality improvement initiative;

4 (L) a public utility facility;

5 (M) a transit system;

6 (M-1) a parking area, structure, or facility, or a  
7 collection device for parking fees; [and]

8 (N) if applicable, projects and programs listed in  
9 the most recently approved state implementation plan for the area  
10 covered by the authority, including an early action compact; and

11 (O) improvements in a transportation reinvestment  
12 zone designated under Subchapter E, Chapter 222.

13 SECTION 2. Section 370.004(a), Transportation Code, is  
14 amended to read as follows:

15 (a) The cost of acquisition, construction, improvement,  
16 extension, or expansion of a transportation project under this  
17 chapter includes the cost of:

18 (1) the actual acquisition, construction, improvement,  
19 extension, or expansion of the transportation project;

20 (2) the acquisition of real property, rights-of-way,  
21 property rights, easements, and other interests in real property;

22 (3) machinery and equipment;

23 (4) interest payable before, during, and for not more  
24 than three years after acquisition, construction, improvement,  
25 extension, or expansion as provided in the bond proceedings;

1           (5) traffic estimates, revenue estimates, engineering  
2 and legal services, plans, specifications, surveys, appraisals,  
3 construction cost estimates, and other expenses necessary or  
4 incidental to determining the feasibility of the acquisition,  
5 construction, improvement, extension, or expansion;

6           (6) necessary or incidental administrative, legal, and  
7 other expenses;

8           (7) compliance with laws, regulations, and  
9 administrative rulings, including any costs associated with  
10 necessary environmental mitigation measures;

11          (8) financing;

12          (9) the assumption of debts, obligations, and  
13 liabilities of an entity relating to a transportation project  
14 transferred to an authority by that entity; ~~and~~

15          (10) expenses related to the initial operation of the  
16 transportation project; and

17          (11) payment obligations of an authority under a  
18 contract or agreement authorized by this chapter in connection with  
19 the acquisition, construction, improvement, extension, expansion,  
20 or financing of the transportation project.

21          SECTION 3. Sections 370.033(a), (f), and (g), Transportation  
22 Code, are amended to read as follows:

23          (a) An authority, through its board, may:

24               (1) adopt rules for the regulation of its affairs and  
25 the conduct of its business;

- 1           (2) adopt an official seal;
- 2           (3) study, evaluate, design, finance, acquire,  
3 construct, maintain, repair, and operate transportation projects,  
4 individually or as one or more systems, provided that a  
5 transportation project that is subject to Subpart C, 23 C.F.R. Part  
6 450, is:
- 7           (A) included in the plan approved by the applicable  
8 metropolitan planning organization; and
- 9           (B) consistent with the statewide transportation  
10 plan and the statewide transportation improvement program;
- 11          (4) acquire, hold, and dispose of property in the  
12 exercise of its powers and the performance of its duties under this  
13 chapter;
- 14          (5) enter into contracts or operating agreements with a  
15 similar authority, another governmental entity, or an agency of the  
16 United States, a state of the United States, the United Mexican  
17 States, or a state of the United Mexican States;
- 18          (6) enter into contracts or agreements necessary or  
19 incidental to its powers and duties under this chapter;
- 20          (7) cooperate and work directly with property owners and  
21 governmental entities and officials to support an activity required  
22 to promote or develop a transportation project;
- 23          (8) employ and set the compensation and benefits of  
24 administrators, consulting engineers, attorneys, accountants,  
25 construction and financial experts, superintendents, managers,

1 full-time and part-time employees, agents, consultants, and other  
2 persons as the authority considers necessary or useful;

3 (8-a) participate in the state travel management program  
4 administered by the comptroller for the purpose of obtaining  
5 reduced airline fares and reduced travel agent fees, provided that  
6 the comptroller may charge the authority a fee not to exceed the  
7 costs incurred by the comptroller in providing services to the  
8 authority;

9 (9) notwithstanding Sections 221.003 and 222.031 and  
10 subject to Subsections (j) and (m), apply for, directly or  
11 indirectly receive and spend loans, gifts, grants, and other  
12 contributions for any purpose of this chapter, including the  
13 construction of a transportation project, and receive and spend  
14 contributions of money, property, labor, or other things of value  
15 from any source, including the United States, a state of the United  
16 States, the United Mexican States, a state of the United Mexican  
17 States, the commission, the department, a subdivision of this  
18 state, or a governmental entity or private entity, to be used for  
19 the purposes for which the grants, loans, or contributions are  
20 made, and enter into any agreement necessary for the grants, loans,  
21 or contributions;

22 (10) install, construct, or contract for the  
23 construction of public utility facilities, direct the time and  
24 manner of construction of a public utility facility in, on, along,  
25 over, or under a transportation project, or request the removal or

1 relocation of a public utility facility in, on, along, over, or  
2 under a transportation project;

3 (11) organize a corporation under Chapter 431 for the  
4 promotion and development of transportation projects;

5 (12) adopt and enforce rules not inconsistent with this  
6 chapter for the use of any transportation project, including tolls,  
7 fares, or other user fees, speed and weight limits, and traffic and  
8 other public safety rules, provided that an authority must consider  
9 the same factors that the Texas Turnpike Authority division of the  
10 department must consider in altering a prima facie speed limit  
11 under Section 545.354;

12 (13) enter into leases, operating agreements, service  
13 agreements, licenses, franchises, and similar agreements with a  
14 public or private party governing the party's use of all or any  
15 portion of a transportation project and the rights and obligations  
16 of the authority with respect to a transportation project;

17 (14) borrow money from or enter into a loan agreement or  
18 other arrangement with the state infrastructure bank, the  
19 department, the commission, or any other public or private entity;  
20 and

21 (15) do all things necessary or appropriate to carry out  
22 the powers and duties expressly granted or imposed by this chapter.

23 (f) An authority and a governmental entity may enter into a  
24 contract, agreement, interlocal agreement, or other similar  
25 arrangement under which the authority may plan, design, construct,



1 or operate a transportation project on behalf of the governmental  
2 entity. An authority may enter into a contract or agreement with  
3 the department under which the authority will plan, develop,  
4 operate, or maintain a transportation project on behalf of the  
5 department, subject to the transportation project being in the  
6 authority's area of jurisdiction. A contract or agreement under  
7 this subsection may contain terms and conditions as may be approved  
8 by an authority, including payment obligations of the governmental  
9 entity and the authority.

10 (g) Payments to be made to an authority under a contract or  
11 agreement described by Subsection (f) constitute operating expenses  
12 of the transportation project or system that is to be operated  
13 under the contract or agreement. The contract or agreement may  
14 extend for the number of years as agreed to by the parties.

15 SECTION 4. Sections 370.071(a) and (b), Transportation Code,  
16 are amended to read as follows:

17 (a) An authority may pay the expenses of studying the cost  
18 and feasibility of a transportation project, the design and  
19 engineering of a transportation project, and any other expenses  
20 relating to the preparation and issuance of bonds for a proposed  
21 transportation project by:

22 (1) using legally available revenue derived from an  
23 existing transportation project;

24 (2) borrowing money and issuing bonds or entering into a  
25 loan agreement payable out of legally available revenue anticipated

1 to be derived from the operation of an existing transportation  
2 project; ~~or~~

3 (3) pledging to the payment of the bonds or a loan  
4 agreement legally available revenue anticipated to be derived from  
5 the operation of transportation projects or revenue legally  
6 available to the authority from another source; or

7 (4) pledging to the payment of the bonds or a loan  
8 agreement the proceeds from the sale of other bonds.

9 (b) Money spent under this section for a proposed  
10 transportation project must be reimbursed to the transportation  
11 project from which the money was spent from the proceeds of bonds  
12 issued for the acquisition and construction of the proposed  
13 transportation project, unless the transportation projects are or  
14 become part of a system under Section 370.034.

15 SECTION 5. Section 370.072(c), Transportation Code, is  
16 amended to read as follows:

17 (c) Money in the feasibility study fund may be used only to  
18 pay the expenses of studying the cost and feasibility of a  
19 transportation project, the design and engineering of a  
20 transportation project, and any other expenses relating to:

21 (1) the preparation and issuance of bonds for the  
22 acquisition and construction of a proposed transportation project;

23 (2) the financing of the improvement, extension, or  
24 expansion of an existing transportation project; and

25 (3) private participation, as authorized by law, in the

1 financing of a proposed transportation project, the refinancing of  
2 an existing transportation project or system, or the improvement,  
3 extension, or expansion of a transportation project.

4 SECTION 6. Section 370.073(a), Transportation Code, is  
5 amended to read as follows:

6 (a) One or more municipalities, counties, or other  
7 governmental entities, a combination of municipalities, counties,  
8 and other governmental entities, or a private group or combination  
9 of individuals in this state may pay all or part of the expenses of  
10 studying the cost and feasibility of a transportation project, the  
11 design and engineering of a transportation project, and any other  
12 expenses relating to:

13 (1) the preparation and issuance of bonds for the  
14 acquisition or construction of a proposed transportation project by  
15 an authority;

16 (2) the improvement, extension, or expansion of an  
17 existing transportation project of the authority; or

18 (3) the use of private participation under applicable  
19 law in connection with the acquisition, construction, improvement,  
20 expansion, extension, maintenance, repair, or operation of a  
21 transportation project by an authority.

22 SECTION 7. Section 370.113(a), Transportation Code, is  
23 amended to read as follows:

24 (a) The principal of, interest on, and any redemption premium  
25 on bonds issued by an authority are payable solely from:

1           (1) the revenue of the transportation project for which  
2 the bonds are issued;

3           (2) payments made under an agreement with the  
4 commission, the department, or other governmental entity as  
5 authorized [~~provided~~] by this chapter [~~Subchapter G~~];

6           (3) money derived from any other source available to the  
7 authority, other than money derived from a transportation project  
8 that is not part of the same system or money derived from a  
9 different system, except to the extent that the surplus revenue of  
10 a transportation project or system has been pledged for that  
11 purpose; [~~and~~]

12           (4) amounts received under a credit agreement relating  
13 to the transportation project for which the bonds are issued; and

14           (5) the proceeds of the sale of other bonds.

15       SECTION 8. Section 370.114, Transportation Code, is amended  
16 to read as follows:

17       Sec. 370.114. EFFECT OF LIEN. (a) A lien on or a pledge of  
18 revenue from a transportation project under this chapter or on a  
19 reserve, replacement, or other fund established in connection with  
20 a bond issued under this chapter or a contract or agreement entered  
21 into under this chapter:

22           (1) is enforceable at the time of payment for and  
23 delivery of the bond or on the effective date of the contract or  
24 agreement;

25           (2) applies to each item on hand or subsequently

1 received;

2 (3) applies without physical delivery of an item or  
3 other act; and

4 (4) is enforceable against any person having a claim, in  
5 tort, contract, or other remedy, against the applicable authority  
6 without regard to whether the person has notice of the lien or  
7 pledge.

8 (b) A copy of any bond resolution shall [~~is not required to~~]  
9 be maintained [~~recorded except~~] in the regular records of the  
10 authority.

11 SECTION 9. Section 370.172, Transportation Code, is amended  
12 by amending Subsection (b) and adding Subsection (k) to read as  
13 follows:

14 (b) Tolls, fees, fares, or other charges must be set at rates  
15 or amounts so that the aggregate of tolls, fees, fares, or other  
16 charges from an authority's transportation project, together with  
17 other revenue of the transportation project:

18 (1) provides revenue sufficient to pay:

19 (A) the cost of maintaining, repairing, and  
20 operating the transportation project; [~~and~~]

21 (B) the principal of and interest on any bonds  
22 issued for the transportation project as those bonds become due and  
23 payable; and

24 (C) any other payment obligations of an authority  
25 under a contract or agreement authorized under this chapter; and

1           (2) creates reserves for a purpose listed under  
2 Subdivision (1).

3           (k) Notwithstanding any other provision of this chapter, an  
4 authority may pledge all or any part of its revenues and any other  
5 funds available to the authority to the payment of any obligations  
6 of the authority under a contract or agreement authorized by this  
7 chapter.

8           SECTION 10. Section 370.173(c), Transportation Code, is  
9 amended to read as follows:

10           (c) The authority may use money in the revolving fund to:

11           (1) finance the acquisition, construction, maintenance,  
12 or operation of a transportation project, including the extension,  
13 expansion, or improvement of a transportation project;

14           (2) provide matching money required in connection with  
15 any federal, state, local, or private aid, grant, or other funding,  
16 including aid or funding by or with public-private partnerships;

17           (3) provide credit enhancement either directly or  
18 indirectly for bonds issued to acquire, construct, extend, expand,  
19 or improve a transportation project;

20           (4) provide security for or payment of future or  
21 existing debt for the design, acquisition, construction, operation,  
22 maintenance, extension, expansion, or improvement of a  
23 transportation project or system;

24           (5) borrow money and issue bonds, promissory notes, or  
25 other indebtedness payable out of the revolving fund for any

1 purpose authorized by this chapter; and

2 (6) provide for any other reasonable purpose that  
3 assists in the financing of an authority as authorized by this  
4 chapter.

5 SECTION 11. Section 370.177, Transportation Code, is amended  
6 by adding Subsection (1) to read as follows:

7 (1) In addition to the other powers and duties provided by  
8 this chapter, with regard to its toll collection and enforcement  
9 powers for its turnpike projects or other toll projects developed,  
10 financed, constructed, and operated under an agreement with the  
11 authority or another entity, an authority has the same powers and  
12 duties as the department under Chapter 228, a county under Chapter  
13 284, and a regional tollway authority under Chapter 366.

14 SECTION 12. Sections 370.251(a) and (b), Transportation Code,  
15 are amended to read as follows:

16 (a) Except as provided by Subsection (a-1), the governing  
17 body of an authority is a board of directors consisting of  
18 representatives of each county in which a transportation project of  
19 the authority is located or is proposed to be located. The  
20 commissioners court of each county that initially forms the  
21 authority shall appoint at least two directors to the board.  
22 Additional directors may be appointed to the board at the time of  
23 initial formation by agreement of the counties creating the  
24 authority to ensure fair representation of political subdivisions  
25 in the counties of the authority that will be affected by a

1 transportation project of the authority, provided that the number  
2 of directors must be an odd number. The commissioners court of a  
3 county that is subsequently added to the authority shall appoint at  
4 least one director to the board. The governor shall appoint one  
5 director to the board who shall serve as the presiding officer of  
6 the board and shall appoint an additional director to the board if  
7 an appointment is necessary to maintain an odd number of directors  
8 on the board.

9 (b) The appointment [~~Unless the commissioners courts~~] of  
10 additional directors from a county subsequently added to an [~~the~~  
11 ~~counties of the~~] authority or from a [~~unanimously agree otherwise,~~  
12 ~~the commissioners court of each~~] county of an authority that  
13 contains an operating transportation project of the authority shall  
14 be by a process unanimously agreed to by the commissioners courts  
15 of all the counties of the authority [~~appoint one additional~~  
16 ~~director~~].

17 SECTION 13. Subchapter F, Chapter 370, Transportation Code,  
18 is amended by adding Section 370.2511 to read as follows:

19 Sec. 370.2511. BOARD OF DIRECTORS: CERTAIN AUTHORITIES. (a)  
20 This section applies only to an authority created by a  
21 municipality.

22 (b) The governing body of a municipality may, by a resolution  
23 approved by at least two-thirds of the members of the governing  
24 body, establish the governing body as the board of directors of an  
25 authority.



1       (c) If the board of directors of an authority created by a  
2 municipality consists of the members of the governing body of the  
3 municipality, the governor shall appoint an additional director who  
4 is not a member of the governing body of the municipality and who  
5 serves as the presiding officer of the board.

6       (d) Each director of a board under this section has equal  
7 status and may vote.

8       (e) The vote of a majority attending a board meeting is  
9 necessary for any action taken by a board under this section. If a  
10 vacancy exists on a board, the majority of directors serving on the  
11 board is a quorum.

12       (f) The governing body of a municipality that becomes the  
13 board of an existing authority under this section shall by  
14 resolution provide for the transfer process that establishes the  
15 governing body as the board of the authority.

16       (g) If the board of directors of an authority created by a  
17 municipality consists of the members of the governing body of the  
18 municipality, Sections 370.251, 370.2515, 370.252, 370.2521,  
19 370.2522, 370.2523, 370.253, 370.254, and 370.255 do not apply to  
20 the board, except that, to the extent applicable, those provisions  
21 apply to the governor's appointee under Subsection (c).

22       (h) This section has no effect if the attorney general issues  
23 an opinion stating that, notwithstanding the statutory authority  
24 under this section, the Texas Constitution, the common law doctrine  
25 of incompatibility, or any other legal principle would prohibit a

1 member of the governing body of a municipality from serving as a  
2 director of an authority.

3 (i) A board under this section is not required to have an odd  
4 number of directors.

5 SECTION 14. Section 370.303, Transportation Code, is amended  
6 by amending Subsections (a) and (b) and adding Subsections (b-1)  
7 and (g) to read as follows:

8 (a) A governmental entity [~~other than a nonprofit~~  
9 ~~corporation~~] may, consistent with the Texas Constitution, issue  
10 bonds, notes, or other obligations or enter into and make payments  
11 under agreements with an authority in connection with the  
12 financing, acquisition, construction, [~~to acquire, construct,~~  
13 ~~maintain,~~] or operation of [~~operate~~] a transportation project by an  
14 authority, whether inside or outside the geographic boundaries of  
15 the governmental entity, including agreements to pay the principal  
16 of, and interest on, bonds, notes, or other obligations issued by  
17 the authority and make payments under any related credit  
18 agreements. The entity may impose and collect taxes to pay the  
19 interest on the bonds and to provide a sinking fund for the  
20 redemption of the bonds.

21 (b) In addition to the powers provided by Subsection (a), a  
22 governmental entity may, to the extent constitutionally permitted,  
23 agree with an authority to:

24 (1) issue bonds, notes, or other obligations;

25 (2) [~~r~~] create;

1                   (A) a taxing district;  
2                   (B) a transportation reinvestment zone under  
3 Subchapter E, Chapter 222; or

4                   (C) an entity to promote economic development;  
5                   (3) collect and remit to an authority taxes, fees, or  
6 assessments collected for purposes of developing transportation  
7 projects;

8                   (4) [~~7~~] fund public improvements to promote economic  
9 development; [~~7~~] or

10                   (5) enter into and make payments under an agreement to  
11 acquire, construct, maintain, or operate any portion of a  
12 transportation project of the authority.

13                   (b-1) An agreement under Subsection (b) may include a means  
14 for a local governmental entity to pledge or otherwise provide  
15 funds for a transportation project that benefits the governmental  
16 entity to be developed by the authority.

17                   (g) An agreement under this section may contain repayment or  
18 reimbursement obligations of an authority.

19                   SECTION 15. Section 370.304, Transportation Code, is amended  
20 to read as follows:

21                   Sec. 370.304. ADDITIONAL AGREEMENTS OF AUTHORITY. An  
22 authority may enter into any contract, loan agreement, or other  
23 agreement necessary or convenient to achieve the purposes of this  
24 subchapter.

25                   SECTION 16. Subchapter H, Chapter 370, Transportation Code,

1 is amended by adding Section 370.333 to read as follows:

2 Sec. 370.333. VOLUNTARY DISSOLUTION OF AUTHORITY GOVERNED BY  
3 GOVERNING BODY OF MUNICIPALITY. In addition to the requirements of  
4 Section 370.331, an authority governed under Section 370.2511 may  
5 not be dissolved unless:

6 (1) the dissolution is approved by a vote of at least  
7 two-thirds of the members of the governing body;

8 (2) all debts, obligations, and liabilities of the  
9 authority have been paid and discharged or adequate provision has  
10 been made for the payment of all debts, obligations, and  
11 liabilities;

12 (3) there are no suits pending against the authority, or  
13 adequate provision has been made for the satisfaction of any  
14 judgment, order, or decree that may be entered against it in any  
15 pending suit; and

16 (4) the authority has commitments from other governmental  
17 entities to assume jurisdiction of all authority transportation  
18 facilities.

19 SECTION 17. Section 370.317(d), Transportation Code, is  
20 repealed.

21 SECTION 18. This Act takes effect immediately if it receives  
22 a vote of two-thirds of all the members elected to each house, as  
23 provided by Section 39, Article III, Texas Constitution. If this  
24 Act does not receive the vote necessary for immediate effect, this  
25 Act takes effect September 1, 2011.

**House Bill 1112**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

SECTIONS 1-12. Sections of Chapter 370, Transportation Code, are amended regarding the authority and powers of regional mobility authorities.

SECTIONS 1-12. Same as House version.

SECTIONS 1-12. Same as House version.

SECTION 13. Subchapter F, Chapter 370, Transportation Code, is amended by adding Section 370.2511, BOARD OF DIRECTORS: CERTAIN AUTHORITIES, as follows:

No equivalent provision. [SECTION 13. Deleted by FA1]

SECTION 13. Subchapter F, Chapter 370, Transportation Code, is amended by adding Section 370.2511, BOARD OF DIRECTORS: CERTAIN AUTHORITIES, as follows:

(a)

No equivalent provision.

(a) Same as House version.

(b) Authorizes the governing body of a municipality *by order* to establish the governing body as the board of directors of an authority.

No equivalent provision.

(b) Authorizes the governing body of a municipality, *by a resolution approved by at least two-thirds of the members of the governing body*, to establish the governing body as the board of directors of an authority.

(c) Provides that if the board of directors of an authority created by a municipality consists of the members of the governing body of the municipality, *the presiding officers of the governing body of the municipality are the presiding officers of the board*.

No equivalent provision.

(c) Provides that if the board of directors of an authority created by a municipality consists of the members of the governing body of the municipality, *the governor is required to appoint an additional director who is not a member of the governing body of the municipality and who serves as the presiding officer of the board*.

(d)-(f)

No equivalent provision.

(d)-(f)

(g) Provides that if the board of directors of an authority created by a municipality consists of the members of the governing body of the municipality, Sections 370.251, 370.2515, 370.252, 370.2521, 370.2522, 370.2523, 370.253, 370.254, and 370.255 do not apply to the board.

No equivalent provision.

(g) Provides that if the board of directors of an authority created by a municipality consists of the members of the governing body of the municipality, Sections 370.251, 370.2515, 370.252, 370.2521, 370.2522, 370.2523, 370.253, 370.254, and 370.255 do not apply to the board, *except that, to the extent applicable, those provisions apply to the*

**House Bill 1112**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

No equivalent provision.

No equivalent provision.

*governor's appointee under Subsection (c).*

(h) Provides that this section has no effect if the attorney general issues an opinion stating that, notwithstanding the statutory authority under this section, the Texas Constitution, the common law doctrine of incompatibility, or any other legal principle would prohibit a member of the governing body of a municipality from serving as a director of an authority.

No equivalent provision.

No equivalent provision.

(i) Provides that a board under this section is not required to have an odd number of directors.

SECTIONS 14-15. Amended sections of Chapter 370, Transportation Code.

SECTIONS 14-15. Same as House version.

SECTIONS 14-15. Same as House version.

No equivalent provision.

No equivalent provision.

SECTION 16. Subchapter H, Chapter 370, Transportation Code, is amended by adding Section 370.333 to read as follows:

Sec. 370.333. VOLUNTARY DISSOLUTION OF AUTHORITY GOVERNED BY GOVERNING BODY OF MUNICIPALITY. In addition to the requirements of Section 370.331, an authority governed under Section 370.2511 may not be dissolved unless:

(1) the dissolution is approved by a vote of at least two-thirds of the members of the governing body;

(2) all debts, obligations, and liabilities of the authority have been paid and discharged or adequate provision has been made for the payment of all debts, obligations, and liabilities;

(3) there are no suits pending against the authority, or adequate provision has been made for the satisfaction of any

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SECTION 16. Section 370.317(d), Transportation Code, is repealed.

SECTION 17. Effective date.

SECTION 16. Same as House version.

SECTION 17. Same as House version.

judgment, order, or decree that may be entered against it in any pending suit; and  
(4) the authority has commitments from other governmental entities to assume jurisdiction of all authority transportation facilities.

SECTION 17. Same as House version.

SECTION 18. Same as House version.

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 24, 2011**

**TO:** Honorable David Dewhurst, Lieutenant Governor, Senate  
Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB1112** by Phillips (Relating to the authority and powers of regional mobility authorities.),  
**Conference Committee Report**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend Chapter 370 of the Transportation Code to modify statutes regarding the authority and powers of a regional mobility authority (RMA).

The bill would amend the definition of (1) an RMA's "surplus revenue" to include revenue that exceeds an authority's payment obligation under a contract or agreement authorized by Chapter 370; and (2) an RMA's costs for building or expanding a transportation project to include payment obligations incurred by the building or expanding of a transportation project. Transportation projects would include building a parking facility and a collection device for parking fees; and improvements in a transportation reinvestment zone.

The bill would authorize an RMA to participate in the Comptroller of Public Account's (CPA) state travel management program; and borrow money from the Texas Department of Transportation (TxDOT) or any other public or private entity. Under current statute, local governmental entities are authorized to participate in the CPA's contract for travel service.

An RMA would be granted powers similar to those granted to the Texas Department of Transportation under Chapter 228, a county under Chapter 284, and a regional tollway authority under Chapter 366 for toll collection and enforcement on RMA turnpikes or other tollway projects developed, financed, constructed, and operated under an agreement with the authority or another entity.

The bill would include procedures for designation of an authority's board of directors and presiding officers if the authority is created by a municipality. The governor would be required to appoint an additional director to serve as the presiding officer if the authority is created by a municipality. The bill would provide that this section would have no effect if the Attorney General issued an opinion that the Texas Constitution, the common law doctrine of incompatibility, or any legal principle would prohibit a member of the governing body of a municipality from serving as a director of an authority.

The bill would specify that an authority governed under Section 370.2511 may not be dissolved except under certain circumstances as defined by the provisions of the bill.

The bill would repeal Section 370.317(d) of the Transportation Code.

The CPA reported there would be no administrative costs associated with implementing the provisions of the bill. Based on the analysis of TxDOT, it is assumed costs for duties and responsibilities associated with implementing the provisions of the bill would not have a significant fiscal impact to the state.



## **Local Government Impact**

According to TxDOT, provisions of the bill would provide RMAs greater flexibility to enter into agreements with other entities, including TxDOT, to finance projects, and pledge bond proceeds and gross revenue of a project to secure payment obligations of an RMA under agreement.

It is assumed that an RMA would participate in the CPA's travel management program if it would provide a savings in travel costs.

The Grayson County RMA reported there would be no fiscal impact.

**Source Agencies:** 304 Comptroller of Public Accounts, 601 Department of Transportation

**LBB Staff:** JOB, KJG, MW, TP, TG

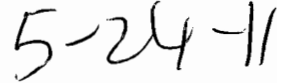
## Certification of Compliance with Rule 13, Section 6(b), House Rules of Procedure

Rule 13, Section 6(b), House Rules of Procedure, requires that a copy of a conference committee report signed by a majority of each committee of the conference must be furnished to each member of the committee in person or if unable to deliver in person by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Section 10(a) of this rule. The paper copies of the report submitted to the chief clerk under Section 10(b) of this rule must contain a certificate that the requirement of this subsection has been satisfied, and that certificate must be attached to the printed copy of the report furnished to each member under Section 10(d) of this rule. Failure to comply with this subsection is not a sustainable point of order under this rule.

I certify that a copy of the conference committee report on H. B. 1112 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Section 10(b), Rule 13, House Rules of Procedure.



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(name)



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