BILL ANALYSIS

C.S.H.B. 2861 By: Phillips Transportation Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that the use of comprehensive development agreements to create public-private partnerships to build transportation projects in Texas is of the utmost importance to regional and statewide transportation goals. C.S.H.B. 2861 seeks to further these goals by authorizing the Texas Department of Transportation or a regional mobility authority to enter into certain comprehensive development agreements.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2861 amends the Transportation Code to add a temporary provision, set to expire August 31, 2021, to authorize the Texas Department of Transportation (TxDOT) to enter into a comprehensive development agreement for the following projects: the Interstate Highway 35 project in Travis and Williamson Counties from Ranch-to-Market Road 1431 to State Highway 45 Southeast; the Interstate Highway 45 North project in Harris County from Beltway 8 to Interstate Highway 10; the Hempstead Managed Tollway project in Harris County from State Highway 99 to the Interstate Highway 610/Interstate Highway 10 interchange; the Interstate Highway 30 project in Tarrant County from Interstate Highway 35W to east of Fielder Road; the Interstate Highway 635 East project in Dallas County from U.S. Highway 75 to Interstate Highway 30; and the Interstate Highway 35E project in Dallas and Denton Counties from Interstate Highway 635 to U.S. Highway 380. The bill removes the August 31, 2017, deadline by which TxDOT is required to obtain the appropriate environmental clearance before entering into a comprehensive development for certain projects.

C.S.H.B. 2861 adds a temporary provision, set to expire August 31, 2021, to authorize TxDOT or a regional mobility authority to enter into a comprehensive development agreement for the following projects: the Interstate Highway 35 Northeast Expansion project, from Loop 410 South in Bexar County to Farm-to-Market Road 1103 in Comal County; the Loop 1604 project in Bexar County; the Outer Parkway project in Cameron County from U.S. Highway 77 to Farm-to-Market Road 1847; the South Padre Island Second Access Causeway project in Cameron County from State Highway 100 to Park Road 100; the Farm-to-Market 1925 project from U.S. Highway 281 in Hidalgo County to U.S. Highway 77 in Cameron County; the Hidalgo County Loop project; the International Bridge Trade Corridor project in Hidalgo County; the U.S. Highway 83 La Joya Relief Route project in Hidalgo County; the State Highway 68 project in

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Hidalgo County; the U.S. Highway 290 West project in Travis County from Loop 1 to Ranch-to-Market Road 1826 (Oak Hill Parkway); the Loop 1 South project in Travis County from Cesar Chavez Street to Slaughter Lane; and the Loop 49 project in Smith County from Interstate Highway 20 to U.S. Highway 69 (Lindale Relief Route) and from State Highway 110 in Smith County to U.S. Highway 259 in Gregg County (Segments 6 and 7). The bill maintains the requirement for TxDOT or a regional mobility authority, as applicable, to obtain the appropriate environmental clearance before entering into a comprehensive development agreement for certain projects and to present to the Texas Transportation Commission a full financial plan for the project.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2861 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

- SECTION 1. Section 223.201, Transportation Code, is amended by adding Subsection (f-1) and amending Subsections (g) and (j) to read as follows:
- (f-1) This subsection expires August 31, 2019. Notwithstanding Subsection (f), the department may enter into a comprehensive development agreement for:
- (1) the Interstate Highway 35 project in Travis County from Farm-to-Market Road 1431 to State Highway 45 Southeast;
- (2) the Interstate Highway 45 North project in Harris County from Beltway 8 to Interstate Highway 10;
- (3) the Hempstead Managed Tollway project in Harris County from State Highway 99 to the Interstate Highway 610/Interstate Highway 10 interchange;
- (4) the Interstate Highway 30 project in Tarrant County from Interstate Highway 35W to east of Fielder Road;
- (5) the Interstate Highway 635 East project in Dallas County from U.S. Highway 75 to Interstate Highway 30;
- (6) the Interstate Highway 35E project in Dallas and Denton Counties from Interstate Highway 635 to U.S. Highway 380; and
- (7) the Interstate Highway 35 project in Bexar, Guadalupe, and Comal Counties from AT&T Center Parkway to Farm-to-Market Road 1103.
- (g) The department may combine in a

HOUSE COMMITTEE SUBSTITUTE

- SECTION 1. Section 223.201, Transportation Code, is amended by adding Subsection (f-1) and amending Subsections (g) and (j) to read as follows:
- (f-1) This subsection expires August 31, 2021. Notwithstanding Subsection (f), the department may enter into a comprehensive development agreement for:
- (1) the Interstate Highway 35 project in Travis and Williamson Counties from Ranch-to-Market Road 1431 to State Highway 45 Southeast;
- (2) the Interstate Highway 45 North project in Harris County from Beltway 8 to Interstate Highway 10;
- (3) the Hempstead Managed Tollway project in Harris County from State Highway 99 to the Interstate Highway 610/Interstate Highway 10 interchange;
- (4) the Interstate Highway 30 project in Tarrant County from Interstate Highway 35W to east of Fielder Road;
- (5) the Interstate Highway 635 East project in Dallas County from U.S. Highway 75 to Interstate Highway 30; and
- (6) the Interstate Highway 35E project in Dallas and Denton Counties from Interstate Highway 635 to U.S. Highway 380.
- (g) The department may combine in a

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- comprehensive development agreement under this subchapter:
- (1) a toll project and a rail facility as defined by Section 91.001; or
- (2) two or more projects described by <u>this</u> <u>section</u> [Subsection (f)].
- (j) Before the department may enter into a comprehensive development agreement under this section [Subsection (f)], the department must:
- (1) for a project other than the State Highway 99 (Grand Parkway) project, obtain[, not later than August 31, 2017,] the appropriate environmental clearance:
- (A) for the project; or
- (B) for the initial or base scope of the project if the project agreement provides for the phased construction of the project; and
- (2) present to the commission a full financial plan for the project, including costing methodology and cost proposals.
- SECTION 2. Section 223.2011, Transportation Code, is amended by adding Subsection (a-1) and amending Subsections (b) and (f) to read as follows:
- (a-1) This subsection expires August 31, 2019. Notwithstanding Sections 223.201(f) and 370.305(c), the department or a regional mobility authority may enter into a comprehensive development agreement for:
- (1) the Loop 1604 project in Bexar County from Interstate Highway 35 to State Highway 16:
- (2) the Outer Parkway project in Cameron County from U.S. Highway 77 to Farm-to-Market Road 1847;
- (3) the South Padre Island Second Access Causeway project from State Highway 100 to Park Road 100;

(*See* (6) *below*.)

- (4) the Hidalgo County Loop project;
- (5) the International Bridge Trade Corridor project;
- (6) the Farm-to-Market 1925 project in Cameron and Hidalgo Counties;

- comprehensive development agreement under this subchapter:
- (1) a toll project and a rail facility as defined by Section 91.001; or
- (2) two or more projects described by <u>this</u> <u>section</u> [Subsection (f)].
- (j) Before the department may enter into a comprehensive development agreement under this section [Subsection (f)], the department must:
- (1) for a project other than the State Highway 99 (Grand Parkway) project, obtain[, not later than August 31, 2017,] the appropriate environmental clearance:
- (A) for the project; or
- (B) for the initial or base scope of the project if the project agreement provides for the phased construction of the project; and
- (2) present to the commission a full financial plan for the project, including costing methodology and cost proposals.
- SECTION 2. Section 223.2011, Transportation Code, is amended by adding Subsection (a-1) and amending Subsections (b) and (f) to read as follows:
- (a-1) This subsection expires August 31, 2021. Notwithstanding Sections 223.201(f) and 370.305(c), the department or a regional mobility authority may enter into a comprehensive development agreement for:

 (1) the Interstate Highway 35 Northeast Expansion project, from Loop 410 South in Bexar County to Farm-to-Market Road 1103 in Comal County;
- (2) the Loop 1604 project in Bexar County;
- (3) the Outer Parkway project in Cameron County from U.S. Highway 77 to Farm-to-Market Road 1847;
- (4) the South Padre Island Second Access Causeway project in Cameron County from State Highway 100 to Park Road 100;
- (5) the Farm-to-Market 1925 project from U.S. Highway 281 in Hidalgo County to U.S. Highway 77 in Cameron County;
- (6) the Hidalgo County Loop project;
- (7) the International Bridge Trade Corridor project in Hidalgo County;

(*See* (5) *above*.)

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(7) the U.S. Highway 83 La Joya Relief Route project in Hidalgo County; and
(8) the State Highway 68 project in Hidalgo County.

- (b) Before the department or an authority may enter into a comprehensive development agreement under this section, the department or the authority, as applicable, must:
- (1) obtain the appropriate environmental clearance:
- (A) for the project; or
- (B) for the initial or base scope of the project if the project agreement provides for the phased construction of the project; and
- (2) <u>present to the commission a full financial plan for the project, including costing methodology and cost proposals [meet the requirements under Section 223.201(j)].</u>
- (f) The authority to enter into a comprehensive development agreement under <u>Subsection (a)</u> [this section] expires August 31, 2017.
- SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

- (8) the U.S. Highway 83 La Joya Relief Route project in Hidalgo County;
- (9) the State Highway 68 project in Hidalgo County;
- (10) the U.S. Highway 290 West project in Travis County from Loop 1 to Ranch-to-Market Road 1826 (Oak Hill Parkway);
- (11) the Loop 1 South project in Travis County from Cesar Chavez Street to Slaughter Lane; and
- (12) the Loop 49 project:
- (A) in Smith County from Interstate Highway 20 to U.S. Highway 69 (Lindale Relief Route); and
- (B) from State Highway 110 in Smith County to U.S. Highway 259 in Gregg County (Segments 6 and 7).
- (b) Before the department or an authority may enter into a comprehensive development agreement under this section, the department or the authority, as applicable, must:
- (1) obtain the appropriate environmental clearance:
- (A) for the project; or
- (B) for the initial or base scope of the project if the project agreement provides for the phased construction of the project; and
- (2) present to the commission a full financial plan for the project, including costing methodology and cost proposals [meet the requirements under Section 223.201(j)].
- (f) The authority to enter into a comprehensive development agreement under <u>Subsection (a)</u> [this section] expires August 31, 2017.

SECTION 3. Same as introduced version.

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