

## **BILL ANALYSIS**

S.B. 1512  
By: Flores  
Transportation  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

It has been noted that the state infrastructure bank was created to encourage public and private investment in transportation facilities that contribute to transportation capabilities of the state and that many cities, counties, and utilities use the bank to assist with loans to finance utility relocation. However, reports indicate that some cities, counties, and utility districts are unable to afford the relocation of their utilities or qualify for a loan for utility relocation due to their inability to repay the loan obligation. The inability to pay for the relocation or otherwise qualify for the loan often delays the construction project while the utility attempts to secure other means of funding, which forces the Texas Department of Transportation to relocate the utilities at its own expense and seek reimbursement from the utility, which is often an uncollectible debt. S.B. 1512 seeks to address this issue by providing for the relocation of certain political subdivision utility facilities for state highway projects at the expense of the state.

### **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**

S.B. 1512 amends the Transportation Code to require a utility to relocate a utility facility required by a state highway system improvement at the expense of the state if the Texas Transportation Commission determines that:

- the utility is a political subdivision or is owned or operated by a political subdivision;
- a financial condition would prevent the utility from being able to pay the cost of relocation in full or in part at the time of relocation or, if paid at that time, the payment would adversely affect the utility's ability to operate or provide essential services to its customers; and
- the utility:
  - would not be able to receive a state infrastructure bank loan to finance the cost of the relocation and is otherwise unable to finance that cost; or
  - is a political subdivision or is owned or operated by a political subdivision that has a population of less than 5,000 and is located in a county that has been included in at least five disaster declarations made by the president of the United States in the six-year period preceding the proposed date of the relocation.

The bill caps the total amount paid by the Texas Department of Transportation for the relocation of utility facilities under the bill's provisions at \$10 million in any fiscal year.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.