

- SUBJECT:** Creating coordinated county transportation authorities
- COMMITTEE:** Transportation — committee substitute recommended
- VOTE:** 7 ayes — Alexander, Hawley, Y. Davis, Hill, Noriega, Pickett, Swinford
0 nays
2 absent — Edwards, Hamric
- WITNESSES:** For — James Carter and Rider Scott, Denton County; Michael Nowels
Against — None
- BACKGROUND:** Current law authorizes creation of mass transportation authorities for cities of at least 200,000 population, counties containing cities of at least 500,000 population, or regions with populations of at least 300,000.
- DIGEST:** CSHB 3323 would allow counties adjacent to counties with populations of at least one million to form transportation authorities. It would apply to counties bordering Bexar, Dallas, Harris and Tarrant counties — i.e., Rockwall, Kaufman, Ellis, Johnson, Parker, Wise, Denton, Collin, Comal, Guadalupe, Wilson, Atascosa, Medina, Bandera, Kendall, Montgomery, Liberty, Chambers, Galveston, Brazoria, Fort Bend, and Waller.
- The authorities could receive federal mass-transit funds and could levy taxes if voters so approved in a separate binding referendum. The authorities could manage their own transit systems and could negotiate connection agreements with existing authorities for any mode of transportation or combination of modes. They would have power of eminent domain to acquire real property, could issue bonds and negotiable notes, and would have to use competitive bidding in most cases.
- County commissioners courts would initiate the process of organizing these authorities, either on their own or in response to citizen petitions. Petitions would have to contain valid signatures from registered voters in a number

equivalent to or greater than 5 percent of the votes cast in the most recent gubernatorial election.

Commissioners would have to conduct a public hearing within 60 days of ordering the authority's creation or receiving a petition to do so. An interim executive committee would be formed, representing each city in the county with 12,000 population or more appointing a representative; cities with more than 500 population but less than 12,000; and unincorporated areas.

The committee would have 180 days to develop a service plan and propose a tax. After conducting public hearings on feasibility, including ridership, costs, and fiscal analysis, the county would have to hold a confirmation election within 18 months on whether to continue or disband the authority. The decision would not have to be unanimous or all-or-nothing. Individual cities of at least 12,000 population could opt out. Those wishing to continue could opt in, depending on the outcomes in each city. Authorities that were not confirmed would expire in three years.

If the authority continued, voters in a subsequent election would have to approve a minimum sales tax rate not to exceed the combined statutory 2-cent cap above the statewide 6.25-cent rate. Authorities would have two years after confirmation to call tax authorization elections.

Cities already belonging to an existing transportation authority could not join coordinated county authorities unless their voters approved withdrawal in an election and the cities had paid all monies owed and ceased collecting taxes for the existing authority.

The bill would take effect September 1, 2001.

NOTES:

The author plans to offer a floor amendment that would allow voters to approve sales tax rates that varied among cities or areas, as long the rates were related to different service levels.

HB 3323 as filed did not make certain cities ineligible. It contained a population threshold of 15,000 for cities with individual members on the interim executive committee and that would have to receive copies of the approved service plan and tax rate. It would not have sunsetted authorities

that did not levy taxes after two years; did not authorize use of federal funds or grants to offset debt service or to issue negotiable notes; and contained no provisions on bid solicitation.