

BILL ANALYSIS

Senate Research Center
78R8334 JRJ-D

S.B. 1407
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Infrastructure Development and Security
3/27/2003
As Filed

DIGEST AND PURPOSE

Currently, Texas law restricts logo reader boards, the blue signs on the side of the highway that indicate the businesses at that exit, to areas outside an urbanized area with a population of more than 50,000. It is believed that these signs are instrumental in bringing travelers off the highway into a community and impacting that community in a positive economic manner. Additionally, five percent of the fees related to these signs are remitted to the state by Texas Logos, which holds the current contract. As proposed, S.B. 1407 expands the definition of "eligible highway" and increases the remittance to the state from five to 10 percent. This bill also authorizes the Texas Transportation Commission to enter into a contract with certain entities at appropriate locations, and for a major shopping area to pay the assessment of fees to a contractor.

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 Section 391.001(2), Transportation Code, to redefine "eligible highway."

SECTION 2. Amends Section 391.091, Transportation Code, as follows:

Sec. 391.091. ERECTION AND MAINTENANCE OF SIGNS. (a) Creates this subsection from existing text.

(b) Requires a contract under this section to provide for the assessment of fees paid to a contractor by a commercial establishment eligible for display on the specific information logo sign, and remittance to the Texas Department of Transportation (TxDOT) of 10 percent of fees collected by TxDOT.

SECTION 3. Amends Section 391.0935, Transportation Code, by amending Subsection (c) and adding Subsections (f) and (g), as follows:

(c) Includes an exemption for when the Texas Transportation Commission (TTC) has entered into a contract under Subsection (f).

(f) Authorizes TTC to contract with certain entities to erect and maintain major shopping area guide signs at appropriate locations along an eligible urban highway.

(g) Requires a contract under this section to provide for a major shopping area paying the assessment of fees to the contractor. Makes a conforming change.

SECTION 4. Amends Section 391.097(c), Transportation Code, to make a conforming change.

SECTION 5. (a) Effective date: September 1, 2003.

(b) Makes application of this Act prospective.