

BILL ANALYSIS

Senate Research Center

S.B. 2015
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Transportation & Homeland Security
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In December 2008, a Capital Area Metropolitan Planning Organization (CAMPO) peer review of the Capital Metropolitan Transportation Authority made a series of findings and recommendations regarding the agency's performance compared to similar transit agencies and compared to agencies that stakeholders identified as models.

When the current board composition was enacted, it was with an eye toward providing representation of the service area. Since that time, the board lost its balance of equitable representation when numerous jurisdictions withdrew.

Currently, any fare adjustments must be approved by a group of elected officials that do not meet regularly as a group. Since the service area is represented by CAMPO and the CAMPO Transportation Policy Board meets regularly, transferring the fare approval to CAMPO would resolve this issue.

Capital Metro is the only metropolitan transit authority in Texas required to have a referendum to operate, maintain, or construct a passenger rail facility even if it does not need to sell bonds or increase taxes. It must also hold those elections in November of even-numbered years. A referendum can be held on any general, uniform election date.

As proposed, S.B. 2015 requires the governing board of a rapid transit authority (board) in which the municipality has a population of less than 750,000, to determine the amounts of certain fares, tolls, charges, rents, and other compensation imposed by the authority. The bill provides that no referendum is required to operate or expand certain fixed rail transit systems under certain circumstances. S.B. 2015 also sets forth the composition of the board.

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 Subchapter B, Section 451.061, Transportation Code, by adding Subsection (f), to provide that this subsection does not apply to a rapid transit authority (authority) confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000.

SECTION 2. Amends Subchapter B, Chapter 451, Transportation Code, by adding Section 451.0612, as follows:

Sec. 451.0612. FARES AND OTHER CHARGES: CERTAIN AUTHORITIES. (a) Provides that this section applies to an authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000.

(b) Requires an authority to impose reasonable and nondiscriminatory fares, tolls, charges, rents, and other compensation for the use of the transit authority system sufficient to produce revenue, together with tax revenue received by the authority, in an amount adequate to fulfill certain financial requirements.

(c) Provides that it is intended by this chapter that the compensation imposed under Subsection (a) and taxes imposed by the authority not exceed the amounts necessary to produce revenue sufficient to meet the obligations of the authority under this chapter.

(d) Authorizes fares for passenger transportation to be set according to a zone system or other classification that the authority determines to be reasonable.

(e) Requires the fares, tolls, charges, rents, and other compensation imposed by the authority under Subsection (b), and any charges to such fares, tolls, charges, rents, or other compensation, to be approved by a majority vote of the governing board of the authority (board), and is required to take effect immediately upon such approval, except that certain fares take effect 60 days after such board approval.

SECTION 3. Amends Subchapter B, Section 451.071(e), Transportation Code, to provide that a subsequent referendum under Subsection (d) is authorized to be held on any date specified in Section 41.001 (Uniform Election Dates), Election Code provided that the referendum is held no earlier than the 62nd day after the date of the order, rather than a subsequent referendum under Subsection (d) is required to be held at the general election in November of an even-numbered year.

SECTION 4. Amends Subchapter B, Section 451.071, Transportation Code, by adding Subsections (g), (h), and (i), as follows:

(g) Provides that if any increase to the revenue of the authority or of any governmental entity that will be used to finance any portion of the purchase, acquisition, construction, operation, or maintenance of a fixed rail transit system by the authority, including the issuance by an authority of short-term debt under Section 451.362 (Short-term Bonds), Transportation Code, or bonds secured by the revenue of the authority, was previously approved at a referendum, no additional referendum on whether the authority is authorized to operate a fixed rail transit system is required under this section.

(h) Provides that no referendum is required under this section on a proposal to expand a system if the proposed expansion involves the addition of not more than 1 mile of track to the system; and the proposed expansion does not involve an increase to the authority's sales and use tax rate.

(i) Provides that no referendum is required under this section on a proposal for an authority to operate an existing fixed rail transit system that was constructed by any person or entity other than the authority or if an entity contracts with the authority to build the facility.

SECTION 5. Amends Subchapter K, Section 451.5021, Transportation Code, as follows:

Sec. 451.5021. BOARD COMPOSITION AND APPOINTMENTS; CERTAIN AUTHORITIES. (a) Provides that this section applies only to the board of an authority created before 1985 in which the principal municipality has a population of less than 750,000.

(b) Provides that the board is composed of seven members.

(c) Provides that the board members serve staggered three-years terms that expire on June 1, with no more than three terms expiring regularly in one calendar year.

(d) Provides that if less than 65 percent of the population of the principal county, excluding the population of the principal municipality, reside in the authority, the board has two additional members appointed by the metropolitan planning organization designated by the governor that serves the area of the authority.

(e) Provides that the seven board members under Subsection (b) are appointed according to certain guidelines.

(f) Requires at least two of the three persons appointed under Subsections (e)(1) (relating to a potential member's appointment), (e)(2) (relating to a member's experience as a financial or accounting professional), and (e)(3) (relating to a member's experience in an executive-level role) to be qualified voters residing in the principal municipality in the authority.

(g) Requires a person appointed under Subsections (e)(5) (relating to a member's appointment through an agreement between certain parties) and (e)(6) (relating to a member's appointment through an agreement between certain parties) to work in either the principal municipality or within the territory of the county or counties of which the members of the commissioners court are entitled to vote on the appointment; or to be a qualified voter residing in either the principal municipality or within the territory of the county or counties of which the members of the commissioners court are entitled to vote on appointment. Deletes all existing text relating to board compensation and appointments.

SECTION 6. Effective date: upon passage or September 1, 2009.