

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1511
By: Hancock
Transportation
4/29/2015
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The transportation authorities in Fort Worth (The T) and Dallas (DART) were established under and are governed by Chapter 452, Transportation Code. In 1995, it was determined that certain provisions relating to the governance of the transportation authorities in these two cities needed to be specific to each city. As a result, a new Subchapter N in Chapter 452 was created that year to set forth special provisions that applied only to authorities created in cities with a population of less than 800,000 (Fort Worth), and a second new Subchapter O was created to apply to cities with a population of more than 800,000 (Dallas).

Since that time, the population of both cities has grown substantially. Population estimates indicate that Fort Worth is expected to pass this population cap of 800,000 in the very near future. This does not impact Dallas given the wording of the statute (population above 800,000), but it does impact Fort Worth, which would then be governed under Subchapter O.

C.S.S.B. 1511 updates the statute by changing the population cap from 800,000 to 1.1 million according to the most recent federal decennial census. This change ensures that Dallas' and Fort Worth's respective transportation authorities continue to be governed under their intended statutory language. S.B. 1511 accomplishes this by replacing the number 800,000 with 1.1 million for each instance the number appears within Chapter 452.

C.S.S.B 1511 reflects agreed-to language from the cities of Fort Worth, Grapevine, Richland Hills, and Blue Mound, the Fort Worth Transportation Authority, and the Tarrant County Commissioners Court.

C.S.S.B 1511 makes three additions to the bill as filed:

1. Expands the size of the board from 9 to 11 members and authorizes the county to appoint the two new seats. (Section 5)
2. Because Richland Hills is considering leaving The T, language is added that clarifies if they choose to withdraw from the authority, the real estate owned or partially owned by the authority will be transferred to the authority. The right-of-way or any improvements to the right-of-way will stay with the municipality. (Section 10)
3. Clarifies that if Richland Hills withdraws, they are not financially responsible for any debt The T may issue between the effective date of the bill and the time of their possible withdrawal election. (Section 11)

C.S.S.B. 1511 amends current law relating to the establishment and governance of certain regional transportation authorities.

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 321.101(b), Tax Code, as follows:

(b) Authorizes a municipality that is not disqualified to, by a majority vote of the qualified voters of the municipality voting at an election held for that purpose, adopt an additional sales and use tax for the benefit of the municipality in accordance with this chapter. Provides that a municipality is disqualified from adopting the additional sales and use tax if the municipality:

(1) Makes no change to this subdivision;

(2) is included within the boundaries of a regional transportation authority created under Chapter 452 (Regional Transportation Authorities), Transportation Code, by a principal municipality having a population of less than, 1.1 million according to the most recent federal decennial census, rather than a population of less than 800,000, unless the municipality has a population of 400,000 or more and is located in more than one county;

(3) is wholly or partly located in a county that contains territory within the boundaries of a regional transportation authority created under Chapter 452, Transportation Code, by a principal municipality having a population in excess of 1.1 million according to the most recent federal decennial census, rather than a population in excess of 800,000, unless the municipality meets certain requirements; or

(4) Makes no change to this subdivision.

SECTION 2. Amends Section 321.1025(a), Tax Code, to authorize a municipality that is wholly or partly located in a county that contains territory within the boundaries of a regional transportation authority created under Chapter 452, Transportation Code, by a principal municipality having a population of more than 1.1 million according to the most recent federal decennial census, rather than a population of more than 800,000, and that has adopted an additional sales and use tax for the benefit of the municipality to hold an election on the question of whether the municipality shall be annexed to the authority.

SECTION 3. Amends Section 452.502(a), Transportation Code, as follows:

(a) Provides that the executive committee of a regional transportation authority confirmed in more than one subregion is composed of 11 members selected as follows:

(1) seven members from the membership of the subregional board in the subregion that has a principal municipality with a population of more than 1.1 million according to the most recent federal decennial census, rather than in the subregion containing a principal municipality having a population of more than 800,000; and

(2) four members from the membership of the subregional board in the subregion that has no principal municipality with a population of more than 1.1 million according to the most recent federal decennial census, rather than no principal municipality with a population of more than 800,000.

SECTION 4. Amends the heading to Subchapter N, Chapter 452, Transportation Code, to read as follows:

**SUBCHAPTER N. SUBREGIONAL BOARD IN AUTHORITY HAVING NO
MUNICIPALITY WITH POPULATION OF MORE THAN 1.1 MILLION**

SECTION 5. Amends Section 452.561, Transportation Code, as follows:

Sec. 452.561. APPLICABILITY OF SUBCHAPTER. Provides that this subchapter applies only to the board of a subregion that has no principal municipality with a population of more than 1.1 million according to the most recent federal decennial census, rather than no principal municipality with a population of more than 800,000.

SECTION 6. Amends Sections 452.562(a), (b), and (c), Transportation Code, as follows:

(a) Provides that a subregional board is composed of 11 members, rather than nine members.

(b) Provides that, if the entire county of the principal municipality is included in the authority, the subregional board consists of:

(1) five members, rather than four members, appointed by the governing body of the principal municipality;

(2) five members, rather than four members, appointed by the commissioners court of the county of the principal municipality; and

(3) one member appointed by the governing body of a municipality that is in the authority and has a population of more than 100,000.

(c) Requires the subregional board, if Subsection (b) does not apply, to be appointed as follows:

(1) the commissioners court of the county of the principal municipality is required to appoint at least three members, rather than one member, to represent:

(A) the unincorporated areas and municipalities in the county that are not otherwise represented on the subregional board; and

(B) the municipalities that have entered into a contract with the authority to receive services; and

(2) Makes no change to this subdivision.

SECTION 7. Amends the heading to Subchapter O, Chapter 452, Transportation Code, to read as follows:

SUBCHAPTER O. SUBREGIONAL BOARD IN SUBREGION HAVING PRINCIPAL MUNICIPALITY WITH POPULATION OF MORE THAN 1.1 MILLION

SECTION 8. Amends Section 452.571, Transportation Code, as follows:

Sec. 452.571. APPLICABILITY OF SUBCHAPTER. Provides that this subchapter applies only to the board of a subregion that has a principal municipality with a population of more than 1.1 million according to the most recent federal decennial census, rather than a population of more than 800,000.

SECTION 9. Amends Sections 452.605(a) and (b), Transportation Code, as follows:

(a) Authorizes a municipality with population of at least 250,000 according to the most recent federal decennial census and located in a county that has no principal municipality with a population of more than 1.1 million according to the most recent federal decennial census to join a separate authority by complying with this chapter, rather than authorizes a municipality having a population of at least 250,000 according to the preceding federal census and located in a county that has no principal municipality with a population of

more than 800,000 according to the preceding federal census to join a separate authority by complying with this chapter.

(b) Provides that, if a municipality described by Subsection (a) joins a separate authority and another separate authority is subsequently established in a county that has no principal municipality with a population of more than 1.1 million according to the most recent federal decennial census, rather than has no principal municipality of more than 800,000 population according to the preceding federal census, any municipality in that county that has voted to participate with any authority created under this chapter may at the time of the creation of the new authority:

- (1) remain in the authority that was created first;
- (2) join the new authority in the county in which the municipality is located; or
- (3) participate with both authorities.

SECTION 10. Amends Section 452.657, Transportation Code, by adding Subsections (e) and (f), as follows:

(e) Provides that, in a unit of election with a population of less than 10,000 according to the most recent federal decennial census that withdraws from an authority consisting of one subregion governed by a subregional board created under Subchapter N, title to all real estate in the unit of election owned or partially owned by the authority, including improvements made by the authority, except a right-of-way or an improvement to a right-of-way, is required to immediately vest in the authority, and the authority may continue to use the real estate and improvements in the withdrawn unit of election as may be determined by the authority to be necessary:

- (1) for the continuation of service to other units of election;
- (2) to satisfy the authority's remaining federal grant obligation for the real estate and improvements; or
- (3) for the operation of a public transportation system as provided by Section 452.056(a).

(f) Provides that an authority is responsible for all operation and maintenance costs of the property and improvements located in the withdrawn unit of election that are owned or partially owned by the authority as described by Subsection (e).

SECTION 11. Amends Section 452.659, Transportation Code, by adding Subsection (e), as follows:

(e) Provides that, notwithstanding any other provision of this chapter, in determining the total financial obligation of a withdrawn unit of election to an authority consisting of one subregion governed by a subregional board created under Subchapter N, Subsection (a)(2) does not apply, and the amounts calculated under Subsection (a)(1) do not include any financial, contractual, or other obligations incurred by the authority between the date that an election to withdraw is ordered and the date of the canvass of the election. Requires the executive committee to determine the total financial obligation of the withdrawn unit of election not later than the 180th day after the date the election is called. Provides that this subsection:

- (1) applies to an election to withdraw that is ordered before, on, or after September 1, 2015; and
- (2) expires August 31, 2016.

SECTION 12. Amends Section 452.710(b), Transportation Code, to provide that the interim subregional board of a subregion that has no principal municipality with a population of more than 1.1 million according to the most recent federal decennial census, rather than a population of more than 800,000, is composed of 11, rather than nine, members appointed as provided by Section 452.562(b).

SECTION 13. Amends Section 452.712(d), Transportation Code, to require that the tax rate be approved by the commissioners court before the confirmation election in a subregion that has no principal municipality with a population of more than 1.1 million according to the most recent federal decennial census, rather than a population of more than 800,000.

SECTION 14. Effective date: September 1, 2015.