

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1644
By: Watson
Transportation
4/19/2017
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Capital Metro is the metropolitan rapid transit authority that serves the Austin area pursuant to Chapter 451, Transportation Code. During a recent state-mandated performance audit, Capital Metro discovered that several sections of Chapter 451 are out of date with its current operations. S.B. 1644 is a clean-up bill that addresses these provisions.

As an initial matter, S.B. 1644 updates the provision that requires Capital Metro to report certain performance measures. The language is currently limited to services "directly operated by the authority," which is problematic because Capital Metro no longer operates its services directly. Thus, striking this provision ensures Capital Metro will continue to report performance measures on its services even when they are operated by outside contractors.

S.B. 1644 also repeals obsolete reporting requirements in statute.

And finally, S.B. 1644 allows Capital Metro to issue short-term bonds with a term of up to 15 years. Current statute limits Capital Metro's short-term bonding authority to five-year bonds, even though other transit authorities may issue longer short-term bonds. Updating this provision will give Capital Metro additional flexibility, which will in turn allow them to use their resources more efficiently. (Original Author's / Sponsor's Statement of Intent)

C.S.S.B. 1644 amends current law relating to the operations of certain metropolitan rapid transit 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 451.133(a), Transportation Code, to prohibit a rapid transit authority (authority) created under this chapter (Metropolitan Rapid Transit Authorities) or under Chapter 141 (Cities and Towns—Rapid Transit Authorities), Acts of the 63rd Legislature, Regular Session, 1973, from spending for capital improvements money in excess of the amounts allocated for major capital expenditures in the annual budgets, rather than in excess of the total amount allocated for major capital expenditures in the annual budget.

SECTION 2. Amends Section 451.362, Transportation Code, by amending Subsection (a) and adding Subsection (e), as follows:

(a) Provides an exception under Subsection (e). Makes nonsubstantive changes.

(e) Provides that, in an authority confirmed before July 1, 1985, in which the principal municipality has a population of less than one million, bonds may have a term of not more than 15 years. Provides that the bonds are payable only from fee revenue received on or after the date the bonds are issued.

SECTION 3. Amends Sections 451.455(h) and (i), Transportation Code, as follows:

(h) Provides that the number of accidents per 100,000 miles is computed by multiplying the annual number of accidents by 100,000 and dividing the product by the number of miles for all service, including charter and nonrevenue service, for the same period, rather than directly operated by the rapid transit authority for the same period.

(i) Makes a conforming change.

SECTION 4. Effective date: September 1, 2017.