

TRANSPORTATION CODE
CHAPTER 284. CAUSEWAYS, BRIDGES, TUNNELS, TURNPIKES, FERRIES, AND
HIGHWAYS IN CERTAIN COUNTIES
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 284.001. DEFINITIONS. In this chapter:

(1) "Bond instrument" means a bond trust indenture and a bond resolution.

(2) "Bond resolution" means an order or resolution of a commissioners court authorizing the issuance of bonds.

(3) "Project" means a causeway, bridge, tunnel, turnpike, highway, ferry, or any combination of those facilities, including:

(A) a necessary overpass, underpass, interchange, entrance plaza, toll house, service station, approach, fixture, and accessory and necessary equipment that has been designated as part of the project by order of a county;

(B) necessary administration, storage, and other buildings that have been designated as part of the project by order of a county; and

(C) all property rights, easements, and related interests acquired.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2005, 79th Leg., ch. 281, Sec. 2.48, eff. June 14, 2005; Acts 2005, 79th Leg., ch. 877, Sec. 2, eff. June 17, 2005.

Sec. 284.002. APPLICABILITY TO CERTAIN COUNTIES AND LOCAL GOVERNMENT CORPORATIONS. (a) Except as provided by Subsection (b), this chapter applies only to a county that:

(1) has a population of 50,000 or more and borders the Gulf of Mexico or a bay or inlet opening into the gulf;

(2) has a population of 1.5 million or more;

(3) is adjacent to a county that has a population of 1.5 million or more; or

(4) borders the United Mexican States.

(b) A local government corporation created under Chapter 431 in a county to which this chapter applies has the same powers as a county acting under this chapter, except as provided by Chapter 362.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 875, Sec. 1, eff. June 20, 2003.

Sec. 284.003. PROJECT AUTHORIZED; CONSTRUCTION, OPERATION, AND COST. A county, acting through the commissioners court of the county, or a local government corporation, without state approval, supervision, or regulation, may:

(1) construct, acquire, improve, operate, maintain, or pool a project located:

(A) exclusively in the county;

(B) in the county and outside the county; or

(C) in one or more counties adjacent to the county;

(2) issue tax bonds, revenue bonds, or combination tax and revenue bonds to pay the cost of the construction, acquisition, or improvement of a project;

(3) impose tolls or charges as otherwise authorized by this chapter;

(4) construct a bridge over a deep water navigation channel if the bridge does not hinder maritime transportation; or

(5) construct, acquire, or operate a ferry across a deepwater navigation channel.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 875, Sec. 2, eff. June 20, 2003; Acts 2005, 79th Leg., ch. 877, Sec. 3, eff. June 17, 2005.

Sec. 284.004. USE OF COUNTY PROPERTY. Notwithstanding any other law, a county may use any county property for a project under this chapter, regardless of when or how the property is acquired.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.005. CONVEYANCE TO COUNTY. The governing body of a political subdivision or agency of this state may convey title or right and easements to property needed by a county for a project under this chapter without advertisement.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.006. FEDERAL OR STATE AID. A county may:

(1) accept from the United States or this state assistance or a loan, gift, grant, or contribution to acquire, construct, improve, maintain, pool, or operate a project under this chapter; and

(2) enter into agreements with the United States or this state for the acquisition, construction, improvement, maintenance, pooling, or operation of the project. Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.007. CONTRACTS FOR HISTORICALLY UNDERUTILIZED BUSINESSES. (a) A county with a population of more than 2.4 million operating under this chapter shall set and make a good faith effort to meet or exceed goals for awarding contracts or subcontracts associated with a project it operates, maintains, or constructs to historically underutilized businesses.

(b) The goals must equal or exceed:

(1) the federal requirement on federal money used in highway construction and maintenance; and

(2) the goals adopted by the department under Section 201.702.

(c) The goals apply to the total value of all contracts and subcontracts awarded, including contracts and subcontracts for construction, maintenance, operations, supplies, services, materials, equipment, professional services, the issuance of bonds, and bond counsel.

(d) In this section, "historically underutilized business" means:

(1) a corporation formed for the purpose of making a profit in which at least 51 percent of all classes of the shares of stock or other equitable securities is owned, managed, and in daily operations controlled by one or more persons who have been historically underutilized because of their identification as members of certain groups, including African Americans, Hispanic Americans, women, Asian Pacific Americans, and Native Americans, who have suffered the effects of discriminatory practices or similar invidious circumstances over which they have no control;

(2) a sole proprietorship formed for the purpose of making a profit that is 100 percent owned and in daily operations is controlled by a person described by Subdivision (1);

(3) a partnership formed for the purpose of making a profit in which at least 51 percent of the assets and interest in the partnership is owned by one or more persons described by Subdivision (1) who also have proportionate interest in the control, daily operations, and management of the partnership's affairs;

(4) a joint venture in which each entity in the joint venture is a historically underutilized business; or

(5) a supplier contract between a historically underutilized business and a prime contractor under which the historically underutilized business is directly involved in the manufacture or distribution of the supplies or materials or otherwise warehouses and ships the supplies or materials.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.008. POWERS OF COMMISSION. (a) The commission may:

(1) provide for and contribute toward the acquisition, construction, improvement, operation, maintenance, or pooling of a project under this chapter and under terms to which the commission and the local government corporation or county agree that are consistent with the rights of bondholders or a person operating the project under a lease or other contract;

(2) lease a project under terms:

(A) to which the county or local government corporation acting under this chapter and the commission agree; and

(B) that are consistent with the bond instrument; and

(3) declare any part of a project under this chapter to be a part of the state highway system and operate any part of a project as part of the state highway system, to the extent that property and contract rights in the project and bonds are not affected unfavorably.

(b) Sections 222.031 and 284.003 do not limit the commission's authority to:

(1) operate or maintain a project under this chapter; or

(2) contribute to the cost of acquisition, construction, improvement, maintenance, operation, or pooling of a project as provided by Subsection (a).

(c) Except as provided by Subsection (d), a project becomes a part of the state highway system and the commission shall maintain

the project without tolls when:

(1) all of the bonds and interest on the bonds that are payable from or secured by revenues of the project have been paid; or

(2) a sufficient amount for the payment of all bonds and the interest on the bonds to maturity has been set aside in a trust fund held for the benefit of the bondholders.

(d) Before construction on a project under this chapter begins, a county may request that the commission adopt an order stating that the project will not become part of the state highway system under Subsection (c). If the commission adopts the order:

(1) Section 362.051 does not apply to the project;

(2) the project must be maintained by the county; and

(3) the project will not become part of the state highway system unless the county transfers the project under Section 284.011.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2005, 79th Leg., ch. 281, Sec. 2.49, eff. June 14, 2005.

Sec. 284.011. TRANSFER OF PROJECT TO DEPARTMENT.

Text of section as added by Acts 2005, 79th Leg., ch. 281, Sec. 2.50

(a) A county may transfer to the department a project under this chapter that has outstanding bonded indebtedness if the commission:

(1) agrees to the transfer; and

(2) agrees to assume the outstanding bonded indebtedness.

(b) The commission may assume the outstanding bonded indebtedness only if the assumption:

(1) is not prohibited under the terms of an existing trust agreement or indenture securing bonds or other obligations issued by the commission for another project;

(2) does not prevent the commission from complying with covenants of the commission under an existing trust agreement or indenture; and

(3) does not cause a rating agency maintaining a rating on outstanding obligations of the commission to lower the existing rating.

(c) If the commission agrees to the transfer under Subsection (a), the county shall convey the project and any real property acquired to construct or operate the project to the department.

(d) At the time of a conveyance under this section, the commission shall designate the project as part of the state highway system. After the designation, the county has no liability, responsibility, or duty to maintain or operate the project.

Added by Acts 2005, 79th Leg., ch. 281, Sec. 2.50, eff. June 14, 2005.

For text of section as added by Acts 2005, 79th Leg., ch. 877, Sec. 4, see Sec. 284.011, post.

Sec. 284.011. CONVEYANCE OF FERRY CONNECTING STATE HIGHWAYS.

Text of section as added by Acts 2005, 79th Leg., ch. 877, Sec. 4

(a) The commission by order may convey a ferry operated under Section 342.001 to a county or local government corporation incorporated under Chapter 431 in a county to which this chapter applies if:

(1) the commission determines that the proposed conveyance is an integral part of the region's overall plan to improve mobility in the region;

(2) the county or local government corporation:

(A) agrees to the conveyance; and

(B) agrees to assume all liability and responsibility for the maintenance and operation of the ferry on its conveyance; and

(3) a majority of the voters in the municipality in which the ferry is located, voting in an election held for that purpose, approve the conveyance.

(b) A county or local government corporation shall reimburse the commission for the cost of a conveyed ferry unless the commission determines that the conveyance will result in a substantial net benefit to the state, the department, and the traveling public that equals or exceeds that cost.

(c) In computing the cost of the ferry, the commission shall:

(1) include the total amount spent by the department

for the original construction of the ferry, including the costs associated with the preliminary engineering and design engineering for plans, specifications, and estimates, the acquisition of necessary rights-of-way, and actual construction of the ferry and all necessary appurtenant facilities; and

(2) consider the anticipated future costs of expanding, improving, maintaining, or operating the ferry to be incurred by the county or local government corporation and not by the department if the ferry is conveyed.

(d) The commission shall, at the time the ferry is conveyed, remove the ferry from the state highway system. After a conveyance, the commission has no liability or responsibility for the maintenance or operation of the ferry.

(e) Before conveying a ferry that is a part of the state highway system under this section, the commission shall conduct a public hearing at which interested persons shall be allowed to speak on the proposed conveyance. Notice of the hearing must be published in the Texas Register and in one or more newspapers of general circulation in the county in which the ferry is located.

(f) The commission shall adopt rules to implement this section. The rules must include criteria and guidelines for the approval of a conveyance of a ferry.

(g) A county or local government corporation shall establish criteria and guidelines for approval of the conveyance of a ferry under this section.

(h) A county or local government corporation may temporarily charge a toll for use of a ferry conveyed under this section to pay the costs necessary for an expansion of the ferry and may permanently charge a toll for use of ferry facilities that are an expansion of the ferry conveyed under this section.

(i) The commission may not convey a ferry under this section if any of the docking facilities used by the ferry are located in a municipality with a population of 8,000 or less unless the governing body of the municipality approves the conveyance.

(j) The governing body of the municipality in which the ferry is located shall order an election held on the approval of a conveyance under this section.

Added by Acts 2005, 79th Leg., ch. 877, Sec. 4, eff. June 17, 2005.
For text of section as added by Acts 2005, 79th Leg., ch. 281, Sec. 2.50, see Sec. 284.011, ante.

Sec. 284.012. TRANSFER OF ASSETS. (a) A county, acting through the commissioners court of the county, may submit a request to the commission for authorization to create a regional mobility authority under Chapter 370 and to transfer all projects under this chapter to the regional mobility authority if:

(1) the creation of the regional mobility authority and transfer of projects is not prohibited under the bond proceedings applicable to the projects;

(2) adequate provision has been made for the assumption by the regional mobility authority of all debts, obligations, and liabilities of the county arising out of the transferred projects; and

(3) the commissioners courts of any additional counties to be part of the regional mobility authority have approved the request.

(b) The county may submit to the commission a proposed structure for the initial board of directors of the regional mobility authority and a method for appointment to the board of directors at the creation of the regional mobility authority. Subsequent appointments to the board of directors are subject to the requirements of Subchapter F, Chapter 370.

(c) After commission authorization, the county may transfer each of its projects under this chapter to the regional mobility authority to the extent authorized by the Texas Constitution if property and contract rights in the projects and bonds issued for the projects are not affected unfavorably.

(d) The commission shall adopt rules governing the creation of a regional mobility authority and the transfer of projects under this section.

Added by Acts 2005, 79th Leg., ch. 281, Sec. 2.51, eff. June 14, 2005.

SUBCHAPTER B. BOND PROVISIONS

Sec. 284.031. BONDS AUTHORIZED. (a) A county may issue bonds for a project under this chapter that are secured:

(1) solely by the pledge of the gross or net revenues

of a project;

(2) by a pledge of:

(A) an ad valorem tax under Section 9, Article VIII, Texas Constitution; or

(B) an unlimited ad valorem tax authorized by Section 52, Article III, Texas Constitution;

(3) by designating part of the bonds to be secured solely by a pledge of project revenues and part of the bonds to be secured by pledge of the ad valorem tax; or

(4) by a combination of methods described by Subdivisions (1) and (2) with all of the bonds supported and secured by the ad valorem tax and the duty imposed on the county to collect tolls for use of the project facilities as long as the bonds are outstanding so that, as prescribed in the bond instrument, the amount of the tax may be reduced as the project revenues become sufficient to:

(A) meet the requirements for operation and maintenance; and

(B) provide money for the bonds.

(b) The commissioners court may secure bonds issued under this chapter through a trust indenture between the county and a corporate trustee. The corporate trustee may be any trust company or bank that has the powers of a trust company. The indenture may pledge or assign project tolls or revenues but may not convey or mortgage any part of the project.

(c) The bonds issued under this chapter may be authorized by bond resolution at one time or from time to time and shall mature on or before the 40th anniversary of their date.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.032. TAX BOND ELECTION. Bonds wholly or partly supported by an ad valorem tax may not be issued without an election at which the issuance of the bonds is authorized.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.033. INTERIM BONDS. (a) A county may, before issuing definitive bonds, issue interim bonds, with or without coupons, exchangeable for definitive bonds.

(b) The interim bonds may be authorized and issued in accordance with this chapter, without regard to the requirements, restrictions, or procedural provisions contained in any other law.

(c) The bond resolution authorizing interim bonds may provide that the interim bonds must recite that the bonds are issued under this chapter. The recital is conclusive evidence of the validity and the regularity of the bonds' issuance.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.034. BOND SALE TO PAY OUTSTANDING BONDS. A county acting through its commissioners court that issues bonds payable from revenues from tolls collected for the use of a project under this chapter and also payable from an unlimited tax authorized under Section 52, Article III, Texas Constitution, may authorize, under that section, and issue and sell its bonds and use the proceeds to call, redeem, and pay off its outstanding tax and revenue bonds under the terms of the bonds and make the project available for the free use of the public.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.035. BOND APPROVAL AND REGISTRATION. (a) Bonds under this chapter may be presented to the attorney general for approval in the same manner as provided for approval of tax bonds issued by a county. The attorney general's approval of the bonds has the same effect as approval of county tax bonds.

(b) The comptroller shall register in the manner other county bonds are registered bonds the attorney general approves under this section.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.036. BONDS SECURED SOLELY BY REVENUE. Bonds secured solely by a pledge of project revenue:

(1) are not a debt of the county issuing the bonds but are solely a charge on project revenue;

(2) may not be considered in determining the power of the county to issue for any purpose bonds payable in whole or in part from taxes; and

(3) must state: "The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation."

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.037. REVENUE BOND ELECTION NOT REQUIRED. (a) The

issuance of bonds under this chapter that are payable solely from revenues may be authorized without an election.

(b) If an election is not held, notice of intention to issue the revenue bonds must be given as provided by Section 252.041, Local Government Code.

(c) The authority to issue the revenue bonds is subject to the right of referendum provided by Section 252.045, Local Government Code.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.038. REVENUE BONDS: AD VALOREM TAX FOR MAINTENANCE AND OPERATION. (a) A county issuing bonds under this chapter that are secured solely by a pledge of revenues may:

(1) by the bond resolution, authorize the payment of the principal of and premium, if any, and interest on the bonds from the gross revenues of the project; and

(2) impose a direct continuing ad valorem tax under Section 9, Article VIII, or Section 52, Article III, Texas Constitution, and pledge the tax to pay maintenance and operating expenses of the project and to establish and maintain a reserve fund and a depreciation and replacement fund for the project, as a supplement to the pledge of revenues for those purposes or in lieu of a pledge of revenues, as provided by the bond resolution.

(b) The proceeds of a tax pledged under this section shall be used annually to the extent required by the bond resolution and for the purposes stated in Subsection (a)(2). The county may provide in the resolution that certain or all costs listed in the resolution will be paid by the county from the proceeds of the tax.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.039. BONDS ARE SECURITIES. The bonds issued and delivered under this chapter and interest coupons on the bonds are a security under Chapter 8, Business & Commerce Code.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.040. EFFECT OF LIEN. (a) A lien on or a pledge of revenue from a project under this chapter or on a reserve, replacement, or other fund established in connection with a bond issued under this chapter:

(1) is enforceable at the time of payment for and delivery of the bond;

(2) applies to an item on hand or subsequently received;

(3) applies without physical delivery of an item or other act; and

(4) is enforceable against any person having any claim, in tort, contract, or other remedy, against the county without regard to whether the person has notice of the lien or pledge.

(b) A bond resolution is not required to be recorded except in the regular records of the county.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.041. REFUNDING BONDS. Subject to any restriction in a bond instrument, a refunding bond may not be delivered unless delivered in exchange for the bond authorized to be refunded or unless sold and delivered to provide money for the payment of a matured or redeemable bond maturing or redeemable within three months.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.042. USE OF BOND PROCEEDS; LIEN. (a) The proceeds of bonds issued under this chapter:

(1) may be used only to pay the costs of the project described by Section 284.043; and

(2) shall be disbursed under the restrictions the bond instrument provides.

(b) Project operating and maintenance costs to be paid from proceeds of bonds payable in whole or in part from project revenue may include only items expressly defined in the proceedings authorizing the bonds.

(c) Notwithstanding Subsection (a), bond proceeds that remain after the project costs are paid in full shall be used to pay interest on and retire the bonds, unless otherwise provided in the bond instrument.

(d) Unless otherwise provided in the bond instrument, if the bond proceeds are not sufficient to pay all the project costs, additional bonds may be issued up to the amount necessary to pay the remaining costs. The additional bonds are considered to be of the same issue as the original bonds and are entitled to payment from

the same fund, without preference for the bonds first issued.

(e) The bondholder or a bond trustee has a lien on the bond proceeds.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.043. COSTS AND EXPENSES. (a) The cost of the project may include:

(1) the cost of construction;
(2) the cost of any property, appurtenance, easement, contract, franchise, or pavement used in the construction, acquisition, improvement, operation, or maintenance of the project;

(3) the cost of condemning property, including the award, court costs, and attorney's fees;

(4) all legal, fiscal, or engineering expenses incurred in the acquisition or construction of the project, the making of any preliminary survey or investigation, or the authorization and issuance of the bonds; and

(5) payment of interest on the bonds and operating expenses on the project before and during construction and before the first anniversary after construction of the project is completed.

(b) Any preliminary expense paid from a county fund shall be repaid to the fund from the proceeds of the bonds when the proceeds are available.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.044. DEPOSITORY. A bank or trust company in this state may:

(1) act as depository of bond proceeds or revenues derived from the operation of the project; and

(2) provide indemnity bonds or pledge securities the county requires.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.045. BONDS TAX FREE. Bonds under this chapter and the transfer of and income from the bonds, including a profit made on the sale of the bonds, are exempt from taxation in this state.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.046. BONDHOLDER RIGHTS. (a) In addition to all other rights by mandamus or other court proceeding, a holder or trustee of a bond issued under this chapter may enforce the holder's rights against the county, the county's employees, an operating board, or an agent or employee of the operating board and is entitled to:

(1) require the county and the board to impose and collect tolls and charges sufficient to carry out any agreement contained in the bond instrument; and

(2) apply for and obtain the appointment of a receiver for the project.

(b) A bond instrument may contain provisions for the protection and enforcement of a bondholder's rights and remedies, including covenants:

(1) establishing the county's duties relating to:

(A) the acquisition of property;
(B) the construction, maintenance, operation, and repair of, and insurance for, a project; and
(C) custody, safeguarding, and application of money;

(2) prescribing events that constitute default;

(3) prescribing terms on which any or all of the bonds become or may be declared due before maturity; and

(4) relating to the rights, powers, liabilities, or duties that arise on the breach of a county's duty.

(c) A bond instrument may contain provisions restricting the individual rights of action of the bondholder.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

SUBCHAPTER C. CONSTRUCTION AND OPERATION

Sec. 284.061. ACQUISITION OF PROPERTY. (a) To acquire property useful in connection with a project, a county may enter on any real property, water, or premises to make a survey, sounding, or examination.

(b) A county may acquire by eminent domain property to use in or useful for a project under this chapter.

(c) Except as provided by Section 284.0615, if applicable, the county is entitled to immediate possession of property subject to a condemnation proceeding brought by the county after:

(1) a tender of a bond or other security in an amount

sufficient to secure the owner for damages; and

(2) the approval of the bond or security by the court.

(c) Except as provided by Section 284.0615, if applicable, the county is entitled to immediate possession of property subject to a condemnation proceeding brought by the county after:

(1) a tender of a bond or other security in an amount sufficient to secure the owner for damages; and

(2) the approval of the bond or security by the court.

(d) A county has full easements and rights-of-way through, across, under, and over any property owned by this state that are necessary or convenient to construct, acquire, or efficiently operate a project under this chapter.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., 3rd C.S., ch. 8, Sec. 5.05, eff. Jan. 11, 2004; Acts 2005, 79th Leg., ch. 281, Sec. 2.52, eff. June 14, 2005.

Sec. 284.0615. DECLARATION OF TAKING BY CERTAIN COUNTIES. (a) This section applies only to a county with a population of 3.3 million or more.

(b) If, in connection with a project under this chapter, the commissioners court of the county authorizes the county to proceed in the manner provided by Section 203.066:

(1) the county may file a declaration of taking and proceed in the manner provided by that section on the project; and

(2) a reference to the department in that section means the county.

Added by Acts 2005, 79th Leg., ch. 281, Sec. 2.53, eff. June 14, 2005.

Sec. 284.062. FERRY. The commissioners court may purchase or lease a ferry property and operate the property over the route to be traversed by a project under this chapter during the period that the project is being constructed. The cost of the purchase or lease of the ferry property may be paid from the proceeds of the bonds issued for the project.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.063. CONTRACT FOR PROJECT CONSTRUCTION. (a) A county may enter into an agreement with a political subdivision or agency of this state to construct, acquire, improve, operate, and maintain a project under this chapter. The agreement may provide for title to the project to be in one party to the agreement or for joint ownership of the project.

(b) A county entering into an agreement under this section may issue bonds as provided by this chapter to pay all or a part of the cost of a project.

(c) An agreement entered into under this section, in addition to other terms, may:

(1) extend for any agreed period; and

(2) provide that the agreement continues in effect until bonds specified in the agreement and refunding bonds issued in lieu of those bonds are paid.

(d) A payment made under the agreement is an operating and maintenance expense of the project if the agreement so provides. Revenues derived from the operation of the project may be pledged to pay operating and maintenance expenses.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.064. CONTRACT TO OPERATE. (a) A county may contract with another person for the person to operate all or part of a project under this chapter to the extent prescribed by the bond instrument.

(b) A contract made under this section must be for a specified period that does not extend beyond the date of maturity of the last maturing bond.

(c) A contract made under this section may not interfere with the right of a bondholder to require proper operation and maintenance of the facilities and the payments for the benefit of the bond as prescribed in the bond instrument.

(d) If a county enters into an agreement with a person that includes the collection by the person of tolls for the use of a project, the person shall submit to the county for approval:

(1) the methodology for:

(A) the setting of tolls; and

(B) increasing the amount of the tolls;

(2) a plan outlining methods the person will use to collect the tolls, including:

(A) any charge to be imposed as a penalty for late payment of a toll; and

(B) any charge to be imposed to recover the cost of collecting a delinquent toll; and

(3) any proposed change in an approved methodology for the setting of a toll or a plan for collecting the toll.

(e) An agreement with a person that includes the collection by the person of tolls for the use of a project may not be for a term longer than 50 years.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2005, 79th Leg., ch. 281, Sec. 2.54, eff. June 14, 2005.

Sec. 284.065. POOLED PROJECTS. (a) A commissioners court of a county by resolution may pool two or more projects the county constructs under this chapter.

(b) An existing project may be pooled in whole or in part with a new project.

(c) A project may not be pooled more than once.

(d) The resolution of the commissioners court establishing a pooled project shall set a date when each of the projects being pooled will be available for the free use of the public. The date must be consistent with the bond instrument applicable to bonds for any of the pooled projects.

(e) Subject to the terms of a bond instrument, a county proceeding under this chapter may, from time to time, issue bonds, including bonds that are payable either in whole or in part from the revenues of a pooled project, to:

(1) pay all or a part of the cost of the pooled project or the cost of a part of the pooled project;

(2) pay the costs of constructing improvements, extensions, or enlargements to all or part of a pooled project; or

(3) refund outstanding bonds issued for any part of a pooled project, including payment of a bond redemption premium and any interest to the date of redemption; and

(4) pay the cost of constructing improvements, extensions, and enlargements to any part of a pooled project for which any part of the bonds to be refunded were issued.

(f) Revenues of any part of a pooled project may be pledged to pay the bonds.

(g) Improvements, extensions, or enlargements to be paid from refunding bonds issued under this chapter may be constructed on any part of the pooled project without regard to the parts of the pooled project covered by the bonds to be refunded.

(h) The refunding bonds may be issued in exchange for outstanding bonds or may be sold and the proceeds used to redeem outstanding bonds.

(i) A county may, from time to time, amend the extent or component parts of a designated pooled project, consistent with the terms of related bond instruments.

(j) This chapter applies to a pooled project and an amended pooled project in the same manner that it applies to any other project.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.066. OPERATING BOARD. (a) A commissioners court may appoint an operating board if the commissioners court determines that a project under this chapter could be developed, constructed, operated, and managed better and more efficiently by an operating board.

(b) Except as provided by Subsections (c) and (d), an operating board has the same authority as the commissioners court, including the power of eminent domain, regarding the development, construction, operation, and management of a project under this chapter.

(c) The operating board's authority is subject to the limitations prescribed by the commissioners court.

(d) An operating board may not:

(1) impose a tax or borrow money; or

(2) exercise the authority of the commissioners court under Section 284.071 except as provided by order of the commissioners court.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.0665. COMPENSATION OF OPERATING BOARD MEMBERS. (a) In this section, "performing the duties of the operating board" means substantive performance of the management or business of a project:

(1) including participation in:

(A) board and committee meetings;

(B) other activities involving the substantive

deliberation of business; and

(C) pertinent educational programs related to a project; and

(2) not including routine or ministerial activities such as the execution of documents, self-preparation for meetings, or other activities requiring a minimal amount of time.

(b) This section applies only to an operating board:

(1) appointed by a local government corporation; or

(2) that is a local government corporation.

(c) A member of an operating board is entitled to receive as compensation not more than \$150 a day for each day the member actually spends performing the duties of the operating board.

(d) The operating board shall set a limit on the amount of compensation a member of the operating board may receive in a year under this section not to exceed \$7,200.

(e) In addition to Subsection (c), a member of the operating board is entitled to reimbursement of actual and necessary expenses incurred in performing duties of the operating board.

(f) To receive compensation or reimbursement under this section, a member of the operating board must file a verified statement with the local government corporation:

(1) showing the number of days the member actually spent performing duties of the operating board; and

(2) including a general description of the duties performed for each day of service.

Added by Acts 2005, 79th Leg., ch. 281, Sec. 2.55, eff. June 14, 2005.

Sec. 284.067. PROJECTS EXTENDING INTO OTHER COUNTIES. (a) A county may not construct or acquire a project that is financed under this chapter and any part of which is in another county until the commissioners court of the other county adopts a resolution consenting to the construction or acquisition.

(b) A part of a project that has not been designated as part of the state highway system and that is not a turnpike project as defined in Chapter 361 is a part of the county road system of the county in which the part is located. A law relating to the maintenance and operation of a county road applies to a project constructed or acquired under this chapter to the extent the law does not conflict with this chapter.

(c) Any county into which the project extends, by condemnation or another method under general law, may acquire the property necessary for the project, except that a county may not condemn property in another county until after the resolution required by Subsection (a) is adopted. The county issuing the bonds may use the bond proceeds to acquire property necessary for the project in any county into which the project extends.

(d) Payment of the purchase price, award, or other cost of the project may be on the terms to which the commissioners courts of the county issuing the bonds and the other county or counties agree. Proceeds from bonds issued under this chapter may be used to pay a cost incurred under this section.

(e) Two-tenths of one percent of the toll revenue shall be shared equally between the permanent school fund and the General Land Office. The General Land Office shall use its share for the acquisition of real property in a natural state in the county of the project. The acquired land shall be maintained in a natural state. Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 875, Sec. 3, eff. June 20, 2003; Acts 2005, 79th Leg., ch. 281, Sec. 2.56, eff. June 14, 2005.

Sec. 284.068. RECONSTRUCTION OF CLOSED OR RELOCATED NONTOLL ROADS, STREETS, OR HIGHWAYS. If under this chapter a county closes or changes the location of a portion of a nontoll road, street, or highway, the county shall reconstruct the nontoll road, street, or highway at a location and in the manner the county determines will provide substantially the same access as the nontoll road, street, or highway being closed or relocated.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.069. TOLLS AND CHARGES. If bonds under this chapter are payable in whole or in part from project revenue, the county shall impose tolls and charges that are, together with other money or revenues available for the project, including ad valorem tax, sufficient to:

(1) pay the maintenance and operating expenses of the project;

(2) pay the principal of, premium of, if any, and

interest on the bonds when due;

(3) establish a reserve for payment of bond principal, premium, and interest; and

(4) establish an adequate fund for project depreciation and replacement.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.070. NONPAYMENT OF TOLL; OFFENSE. (a) A person commits an offense if the person:

(1) operates a vehicle on a county project; and

(2) fails or refuses to pay a toll imposed under Section 284.069.

(b) An offense under this section is a misdemeanor punishable by a fine not to exceed \$100.

(c) The county may take and retain possession of a vehicle operated in violation of Subsection (a) until the amount of the toll and all charges in connection with the toll are paid.

(d) In a county with a population over 2.8 million, an offense under this section may be prosecuted in any precinct in the county in which the offense was committed.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 1107, Sec. 1, eff. Sept. 1, 1997.

Sec. 284.0701. ADMINISTRATIVE COSTS; NOTICE; OFFENSE. (a) In the event of an offense committed under Section 284.070, on issuance of a written notice of nonpayment, the registered owner of the nonpaying vehicle is liable for the payment of both the proper toll and an administrative cost.

(b) The county may impose and collect the administrative cost so as to recover the expense of collecting the unpaid toll, not to exceed \$100. The county shall send a written notice of nonpayment to the registered owner of the vehicle at that owner's address as shown in the vehicle registration records of the department by first-class mail not later than the 30th day after the date of the alleged failure to pay and may require payment not sooner than the 30th day after the date the notice was mailed. The registered owner shall pay a separate toll and administrative cost for each event of nonpayment under Section 284.070.

(c) The registered owner of a vehicle for which the proper toll was not paid who is mailed a written notice of nonpayment under Subsection (b) and fails to pay the proper toll and administrative cost within the time specified by the notice of nonpayment commits an offense. Each failure to pay a toll or administrative cost under this subsection is a separate offense.

(d) It is an exception to the application of Subsection (a) or (c) if the registered owner of the vehicle is a lessor of the vehicle and not later than the 30th day after the date the notice of nonpayment is mailed provides to the authority a copy of the rental, lease, or other contract document covering the vehicle on the date of the nonpayment under Section 284.070, with the name and address of the lessee clearly legible. If the lessor provides the required information within the period prescribed, the authority may send a notice of nonpayment to the lessee at the address shown on the contract document by first class mail before the 30th day after the date of receipt of the required information from the lessor. The lessee of the vehicle for which the proper toll was not paid who is mailed a written notice of nonpayment under this subsection and fails to pay the proper toll and administrative cost within the time specified by the notice of nonpayment commits an offense. The lessee shall pay a separate toll and administrative cost for each event of nonpayment. Each failure to pay a toll or administrative cost under this subsection is a separate offense.

(e) It is an exception to the application of Subsection (a) or (c) if the registered owner of the vehicle transferred ownership of the vehicle to another person before the event of nonpayment under Section 284.070 occurred, submitted written notice of the transfer to the department in accordance with Section 520.023, and before the 30th day after the date the notice of nonpayment is mailed, provides to the county the name and address of the person to whom the vehicle was transferred. If the former owner of the vehicle provides the required information within the period prescribed, the county may send a notice of nonpayment to the person to whom ownership of the vehicle was transferred at the address provided by the former owner by first-class mail before the 30th day after the date of receipt of the required information from the former owner. The subsequent owner of the vehicle for which the proper toll was not paid who is mailed a written notice of

nonpayment under this subsection and fails to pay the proper toll and administrative cost within the time specified by the notice of nonpayment commits an offense. The subsequent owner shall pay a separate toll and administrative cost for each event of nonpayment under Section 284.070. Each failure to pay a toll or administrative cost under this subsection is a separate offense.

(f) An offense under this section is a misdemeanor punishable by a fine not to exceed \$250.

(g) The court in which a person is convicted of an offense under this section shall also collect the proper toll and administrative cost and forward the toll and cost to the county.

(h) In this section, "registered owner" means the owner of a vehicle as shown on the vehicle registration records of the department or the analogous department or agency of another state or country.

Added by Acts 2003, 78th Leg., ch. 372, Sec. 1, eff. Sept. 1, 2003.

Sec. 284.0702. PRIMA FACIE EVIDENCE; DEFENSE. (a) In the prosecution of an offense under Section 284.070 or 284.0701, proof that the vehicle was driven or towed through the toll collection facility without payment of the proper toll may be shown by a video recording, photograph, electronic recording, or other appropriate evidence, including evidence obtained by automated enforcement technology.

(b) In the prosecution of an offense under Section 284.0701(c), (d), or (e), a computer record of the department of the registered owner of the vehicle is prima facie evidence of its contents and that the defendant was the registered owner of the vehicle when the underlying event of nonpayment under Section 284.070 occurred.

(c) It is a defense to prosecution under Section 284.0701(c), (d), or (e) that the vehicle in question was stolen before the failure to pay the proper toll occurred and had not been recovered before the failure to pay occurred, but only if the theft was reported to the appropriate law enforcement authority before the earlier of:

- (1) the occurrence of the failure to pay; or
- (2) eight hours after the discovery of the theft.

Added by Acts 2003, 78th Leg., ch. 372, Sec. 1, eff. Sept. 1, 2003.

Sec. 284.071. CONTROLLED ACCESS TO TOLL ROAD. (a) The commissioners court of a county by order may designate a toll road established for the county under this chapter as a controlled-access toll road.

(b) The commissioners court by order may:

(1) deny use of or access to or from the toll road by a motor vehicle, bicycle, or other vehicle or by a pedestrian;

(2) deny access to or from:

(A) the toll road;

(B) real property adjacent to the toll road; or

(C) a street, road, alley, highway, or other public or private way intersecting the toll road;

(3) designate locations on the toll road at which access to or from the toll road is permitted;

(4) control, restrict, and determine the type and extent of access permitted at a designated location of access to the toll road; or

(5) erect appropriate protective devices to preserve the utility, integrity, and use of the toll road.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.072. PROMOTION OF TOLL ROADS. The commissioners court of a county may promote the use of a toll road operated under this chapter by appropriate means, including advertising or marketing as the commissioners court finds appropriate.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.073. POWERS AND DUTIES OF RECEIVER. (a) A receiver appointed for a project may enter, take possession of, and maintain the project.

(b) A receiver may collect all revenues and tolls from the project in the same manner as the county.

(c) A receiver shall dispose of the money collected in accordance with the obligations of the county under the bond instrument and as the court that appoints the receiver directs.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 284.074. TAX AND ASSESSMENT EXEMPTION: PROJECTS. Each part of a project is exempt from taxation and assessment.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

SUBCHAPTER D. UNAUTHORIZED USE OF TOLL ROADS IN CERTAIN COUNTIES

Sec. 284.201. APPLICABILITY OF SUBCHAPTER. This subchapter applies only to:

- (1) a county with a population of more than 3.3 million; or
- (2) a county adjacent to a county with a population of more than 3.3 million.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 30.18(a), eff. Sept. 1, 1997. Amended by Acts 2001, 77th Leg., ch. 669, Sec. 131, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 670, Sec. 1, eff. June 20, 2003.

Sec. 284.202. ORDER PROHIBITING OPERATION OF MOTOR VEHICLE ON TOLL PROJECT. (a) The commissioners court of a county by order may prohibit the operation of a motor vehicle on a county project described by Section 284.001(3) if:

- (1) an operator of the vehicle has failed to pay a required toll or charge; and
- (2) the county provides the registered owner of the vehicle with notice of the unpaid toll or charge.

(b) The notice required by Subsection (a)(2) must be mailed to the registered owner of the vehicle at least 10 days before the date the prohibition takes effect.

(c) If the registered owner of the vehicle fails to pay a toll or charge not later than the 10th day after the notice under Subsection (b) is mailed, the commissioners court by order may impose a reasonable cost for expenses associated with collecting the unpaid toll or charge.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 30.18(a), eff. Sept. 1, 1997. Amended by Acts 2003, 78th Leg., ch. 372, Sec. 2, eff. Sept. 1, 2003.

Sec. 284.203. VIOLATION OF ORDER; OFFENSE. (a) A person commits an offense if the person operates a motor vehicle or causes or allows the operation of a motor vehicle in violation of an order adopted under Section 284.202(a).

(b) An offense under this section is a Class C misdemeanor. Added by Acts 1997, 75th Leg., ch. 165, Sec. 30.18(a), eff. Sept. 1, 1997.

Sec. 284.2031. CIVIL AND CRIMINAL ENFORCEMENT COST. (a) A county may impose, in addition to other costs, \$1 as a court cost on conviction to a defendant convicted of an offense under Section 284.070, 284.0701, or 284.203 in an action brought by the county or district attorney.

(b) In this section, a person is considered convicted if:

- (1) a sentence is imposed on the person; or
- (2) the court defers final disposition of the person's case.

(c) In a county with a population of 3.3 million or more, money collected under Subsection (a) shall be deposited in the county treasury in a special fund to be administered by the county attorney or district attorney. Expenditures from this fund shall be at the sole discretion of the attorney and may be used only to defray the salaries and expenses of the prosecutor's office, but in no event may the county attorney or district attorney supplement his or her own salary from this fund.

(d) In a county with a population of less than 3.3 million, money collected under Subsection (a) shall be deposited in the general fund of the county.

Added by Acts 2003, 78th Leg., ch. 372, Sec. 3, eff. Sept. 1, 2003. Amended by Acts 2005, 79th Leg., ch. 963, Sec. 1, eff. June 18, 2005.

Sec. 284.2032. ADDITIONAL ADMINISTRATIVE COST IN CERTAIN COUNTIES. (a) A county with a population of 3.3 million or more may impose, in addition to other costs, \$1 as an administrative cost associated with collecting a toll or charge for each event of nonpayment of a required toll or charge imposed under Section 284.069.

(b) Money collected under Subsection (a) shall be deposited in the county treasury in a special fund to be administered by the county attorney. Expenditures from the fund shall be at the sole discretion of the attorney and may be used only to defray the salaries and expenses of the attorney's office, but in no event may the county attorney supplement his or her own salary from the fund. Added by Acts 2005, 79th Leg., ch. 963, Sec. 2(a), eff. Sept. 1, 2005.

Sec. 284.204. ADMINISTRATIVE ADJUDICATION HEARING

PROCEDURE. (a) The commissioner's court of a county may adopt an administrative adjudication hearing procedure for a person who is suspected of having violated an order adopted under Section 284.202(a) on at least two separate occasions within a 12-month period.

(b) A hearing procedure adopted under Subsection (a) must provide:

(1) a period for a person charged with violating the order:

(A) to pay the toll or charge plus administrative costs authorized by Sections 284.202 and 284.2031; or

(B) to request a hearing;

(2) for appointment of one or more hearing officers with authority to administer oaths and issue orders compelling the attendance of witnesses and the production of documents; and

(3) for the amount and disposition of civil fines, costs, and fees.

(c) An order issued under Subsection (b)(2) may be enforced by a justice of the peace.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 30.18(a), eff. Sept. 1, 1997. Amended by Acts 2003, 78th Leg., ch. 372, Sec. 4, eff. Sept. 1, 2003.

Sec. 284.205. CITATION OR SUMMONS. (a) A citation or summons issued under this subchapter must:

(1) inform the recipient of the time and place of the hearing; and

(2) notify the person charged with a violation that the person has the right of a hearing without delay.

(b) The original or any copy of the summons or citation is a record kept in the ordinary course of business of the county and is rebuttable proof of the facts it contains.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 30.18(a), eff. Sept. 1, 1997.

Sec. 284.206. ADMINISTRATIVE HEARING: PRESUMPTION; EVIDENCE OF OWNERSHIP. (a) In an administrative adjudication hearing under this subchapter it is presumed that the registered owner of the motor vehicle that is the subject of the hearing is the person who operated or allowed the operation of the motor vehicle in violation of the order.

(b) A computer record of the department of the registered vehicle owner is prima facie evidence of its contents and that the defendant was the registered owner of the vehicle at the time the violation occurred.

(c) Proof of the violation of the order may be shown by a video recording, photograph, electronic recording, or other appropriate evidence, including evidence obtained by automated enforcement technology.

(d) It is a defense to prosecution under this subchapter that the vehicle in question was stolen before the failure to pay the proper toll occurred and had not been recovered before the failure to pay occurred, but only if the theft was reported to the appropriate law enforcement authority before the earlier of:

(1) the occurrence of the failure to pay; or

(2) eight hours after the discovery of the theft.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 30.18(a), eff. Sept. 1, 1997. Amended by Acts 2003, 78th Leg., ch. 372, Sec. 5, eff. Sept. 1, 2003.

Sec. 284.207. ATTENDANCE ON HEARING. (a) The peace officer or toll road agent who alleges a violation is not required to attend the hearing.

(b) The failure of a person charged with an offense to appear at the hearing is considered an admission of liability for the violation.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 30.18(a), eff. Sept. 1, 1997.

Sec. 284.208. DECISION OF HEARING OFFICER. (a) The hearing officer shall issue a decision stating:

(1) whether the person charged is liable for a violation of the order; and

(2) the amount of the fine and costs to be assessed against the person.

(b) The hearing officer shall file the decision with the county clerk.

(c) A decision of a hearing officer filed under Subsection (b) must be kept in a separate index and file. The decision may be

recorded using a computer printout, microfilm, microfiche, or a similar data processing technique.

(d) Repealed by Acts 2005, 79th Leg., ch. 963, Sec. 2(b).

(e) Repealed by Acts 2005, 79th Leg., ch. 963, Sec. 2(b).

Added by Acts 1997, 75th Leg., ch. 165, Sec. 30.18(a), eff. Sept. 1, 1997. Amended by Acts 2003, 78th Leg., ch. 372, Sec. 6, eff. Sept. 1, 2003; Acts 2005, 79th Leg., ch. 963, Sec. 2(b), eff. Sept. 1, 2005.

Sec. 284.209. ENFORCEMENT OF DECISION. A decision issued under Section 284.208(a) may be enforced by:

(1) placing a device that prohibits movement of a motor vehicle on the vehicle that is the subject of the decision;

(2) imposing an additional fine if the fine for the offense is not paid within a specified time; or

(3) refusing to allow the registration of the vehicle.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 30.18(a), eff. Sept. 1, 1997.

Sec. 284.210. APPEAL OF HEARING OFFICER DECISION. (a) A person determined by a hearing officer to be in violation of an order may appeal the determination to a county court at law.

(b) To appeal, the person must file a petition with the court not later than the 30th day after the date the hearing officer's decision is filed with the county clerk. The petition must be accompanied by payment of the costs required by law for the court.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 30.18(a), eff. Sept. 1, 1997.

Sec. 284.211. HEARING ON APPEAL. The court in which an appeal petition is filed shall:

(1) schedule a hearing; and

(2) notify all parties of the date, time, and place of the hearing.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 30.18(a), eff. Sept. 1, 1997.

Sec. 284.212. EFFECT OF APPEAL. Service of notice of appeal does not stay the enforcement and collection of the decision of the hearing officer unless the person who files the appeal posts a bond with an agency designated by the county to accept payment for a violation.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 30.18(a), eff. Sept. 1, 1997.

Sec. 284.213. SEIZURE OF TRANSPONDERS. (a) For purposes of this section, "transponder" means a device, placed on or within a motor vehicle, that is capable of transmitting information used to assess or to collect tolls. A transponder is insufficiently funded when there are no remaining funds in the account in connection with which the transponder was issued.

(b) Any peace officer of this state may seize a stolen or insufficiently funded transponder and return it to the county, except that an insufficiently funded transponder may not be seized sooner than the 30th day after the date the county has sent a notice of delinquency to the holder of the account.

Added by Acts 2003, 78th Leg., ch. 372, Sec. 7, eff. Sept. 1, 2003.