

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

29 May, 2009
Date

Honorable David Dewhurst
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on CSHB 300 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Glenn Hegar
Glenn Hegar Chair

Juan Arriola
Juan Arriola

Robert Lee Nichols
Robert Lee Nichols

On the part of the Senate

Carol Isett
Carol Isett Chair

Joe C. Pickett
Joe C. Pickett

Wayne Smith
Wayne Smith

Linda Harper Brown
Linda Harper Brown

Ruth Jones McClendon
On the part of the House
RUTH JONES McCLENDON

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

H.B. No. 300

1-1 By: ~~Iselt, Pickett, Harper Brown~~ (Senate Sponsor - Hegar)
 1-2 (In the Senate - Received from the House May 12, 2009,
 1-3 May 12, 2009, read first time and referred to Committee on
 1-4 Transportation and Homeland Security: May 23, 2009, reported
 1-5 adversely, with favorable Committee Substitute by the following
 1-6 vote: Yeas 9, Nays 0; May 23, 2009, sent to printer.)
 1-7

1-8 COMMITTEE SUBSTITUTE FOR H.B. No. 300 By: ~~Garza~~

A BILL TO BE ENTITLED
AN ACT

1-9
 1-10 relating to the continuation and functions of the Texas Department
 1-11 of Transportation, ~~including the transfer of certain functions to~~
 1-12 ~~the Texas Department of Motor Vehicles and the Texas Department of~~
 1-13 ~~Licensing and Regulation; providing penalties.~~

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. GENERAL COMMISSION AND DEPARTMENT PROVISIONS

SECTION 1.01. Sections 201.051 (f), (g), and (j),
Transportation Code, are amended to read as follows:

1-19 ~~(a) The Texas Transportation Commission consists of five~~
 1-20 ~~members appointed by the governor with the advice and consent of the~~
 1-21 ~~senate. If the governor does not appoint the commissioners before~~
 1-22 ~~February 28 of an odd-numbered year, the lieutenant governor shall~~
 1-23 ~~appoint the commissioners. A commissioner appointed by the~~
 1-24 ~~lieutenant governor is not subject to confirmation by the senate.~~

1-25 (f) An officer, employee, or paid consultant of a Texas
 1-26 trade association in the field of road construction or maintenance,
 1-27 aviation, or outdoor advertising is not eligible for appointment as
 1-28 ~~[or a Texas trade association of automobile dealers may not be]~~ a
 1-29 member of the commission.

1-30 (g) The spouse of an officer, manager, or paid consultant of
 1-31 a Texas trade association in the field of road construction or
 1-32 maintenance, aviation, or outdoor advertising is not eligible for
 1-33 appointment as ~~[or a Texas association of automobile dealers may~~
 1-34 ~~not be]~~ a member of the commission.

1-35 (j) In this section, "Texas trade association" means a
 1-36 ~~[nonprofit,]~~ cooperative~~[,]~~ and voluntarily joined statewide
 1-37 association of business or professional competitors in this state
 1-38 designed to assist its members and its industry or profession in
 1-39 dealing with mutual business or professional problems and in
 1-40 promoting their common interest.

1-41 ~~SECTION 1.02. Section 201.052, Transportation Code,~~
 1-42 ~~is amended to read as follows:~~

1-43 ~~Sec. 201.052. TERMS. Members of the commission serve~~
 1-44 ~~two-year [staggered six-year] terms[, with the terms of either one~~
 1-45 ~~or two members] expiring February 1 of each odd numbered year.~~

1-46 SECTION 1.02. Section 201.054, Transportation Code, is
 1-47 amended to read as follows:

1-48 Sec. 201.054. COMMISSION MEETINGS. (a) The commission
 1-49 shall hold regular meetings at least once a month and special
 1-50 meetings at the call of the chair. Commissioners shall attend the
 1-51 meetings of the commission. The chair shall oversee the
 1-52 preparation of an agenda for each meeting and ensure that a copy is
 1-53 provided to each commissioner at least seven days before the
 1-54 meeting.

1-55 (b) The commission shall make a sound and video recording of
 1-56 each regular and called meeting of the commission and of any
 1-57 workshop conducted by the commission. Not later than 24 hours after
 1-58 a meeting or workshop of the commission is adjourned, the
 1-59 department shall post the sound and video recording of the meeting
 1-60 or workshop on the department's Internet website.

1-61 SECTION 1.03. Subchapter B, Chapter 201, Transportation
 1-62 Code, is amended by adding Section 201.060 to read as follows:

1-63 Sec. 201.060. ASSISTANTS TO COMMISSIONERS. An assistant to

2-1 a commissioner is required to report only to that commissioner. An
2-2 assistant to a commissioner may not be required to report to the
2-3 director.

2-4 SECTION 1.04. Subchapter C, Chapter 201, Transportation
2-5 Code, is amended by adding Sections 201.117 and 201.118 to read as
2-6 follows:

2-7 Sec. 201.117. TECHNOLOGICAL SOLUTIONS. The commission shall implement
2-8 a policy requiring the department to use appropriate technological solutions
2-9 to improve the department's ability to perform its functions. The policy
2-10 must ensure that the public is able to interact with the department on the
2-11 Internet.

2-12 Sec. 201.118. NEGOTIATED RULEMAKING; ALTERNATIVE DISPUTE
2-13 RESOLUTION PROCEDURES. (a) The commission shall develop and
2-14 implement a policy to encourage the use of:

2-15 (1) negotiated rulemaking procedures under Chapter
2-16 2008, Government Code, for the adoption of department rules; and

2-17 (2) appropriate alternative dispute resolution
2-18 procedures under Chapter 2009, Government Code, to assist in the
2-19 resolution of internal and external disputes under the department's
2-20 jurisdiction.

2-21 (b) The department's procedures relating to alternative
2-22 dispute resolution must conform, to the extent possible, to any
2-23 model guidelines issued by the State Office of Administrative
2-24 Hearings for the use of alternative dispute resolution by state
2-25 agencies.

2-26 (c) The commission shall designate a trained person to:

2-27 (1) coordinate the implementation of the policy
2-28 adopted under Subsection (a);

2-29 (2) serve as a resource for any training needed to
2-30 implement the procedures for negotiated rulemaking or alternative
2-31 dispute resolution; and

2-32 (3) collect data concerning the effectiveness of those
2-33 procedures, as implemented by the department.

2-34 ~~SECTION 1.06. Subchapter C, Chapter 201, Transportation~~
2-35 ~~Code, is amended by adding Section 201.119 to read as follows:~~

2-36 ~~Sec. 201.119. ADVISORY COMMITTEES. (a) The commission may~~
2-37 ~~establish, as it considers necessary, advisory committees on any of~~
2-38 ~~the matters under its jurisdiction.~~

2-39 ~~(b) The commission shall determine the purpose, duties, and~~
2-40 ~~membership of each advisory committee.~~

2-41 SECTION 1.05. Sections 201.202(a) and (c), Transportation
2-42 Code, are amended to read as follows:

2-43 (a) The commission shall organize the department into
2-44 divisions to accomplish the department's functions and the duties
2-45 assigned to it, including divisions for:

- 2-46 (1) aviation;
- 2-47 (2) highways and roads;
- 2-48 (3) public transportation; and
- 2-49 (4) rail [motor vehicle titles and registration].

2-50 (c) A [In appointing a] person designated by the commission
2-51 as the department's chief financial officer must report directly to
2-52 the commission [to supervise a function previously performed by the
2-53 former State Department of Highways and Public Transportation,
2-54 Texas Department of Aviation, or Texas Turnpike Authority,
2-55 preference shall be given to a person employed in a similar position
2-56 in that former agency].

2-57 SECTION 1.06. Section 201.204, Transportation Code, is
2-58 amended to read as follows:

2-59 Sec. 201.204. SUNSET PROVISION. The Texas Department of
2-60 Transportation is subject to Chapter 325, Government Code (Texas
2-61 Sunset Act). Unless continued in existence as provided by that
2-62 chapter, the department is abolished September 1, 2013 [2009].

2-63 SECTION 1.07. Subchapter D, Chapter 201, Transportation
2-64 Code, is amended by adding Sections 201.210, 201.211, 201.212, and
2-65 201.213 to read as follows:

2-66 Sec. 201.210. COMPLIANCE CERTIFICATION. (a) Not later
2-67 than September 1 of each year, the director and the department's
2-68 chief financial officer shall each certify in writing that the
2-69 director or the officer, as applicable:

on an issue that the commission by order specifies and in accordance with the directions given in such an order

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3-1 (1) is responsible for establishing and maintaining
3-2 the department's internal controls;

3-3 (2) has evaluated the effectiveness of the
3-4 department's internal controls;

3-5 (3) has presented conclusions about the effectiveness
3-6 of the department's internal controls and applicable reporting
3-7 requirements; and

3-8 (4) has effectively complied with all applicable
3-9 legislative mandates.

3-10 (b) The director and the department's chief financial
3-11 officer shall submit the certifications required by Subsection (a)
3-12 to the governor, the lieutenant governor, the speaker of the house
3-13 of representatives, the chair of the standing committee of each
3-14 house of the legislature with primary jurisdiction over
3-15 transportation matters, and the Transportation Legislative
3-16 Oversight Committee created under Section 201.625.

3-17 (c) The Transportation Legislative Oversight Committee
3-18 shall recommend to the 82nd Legislature appropriate penalties for
3-19 failure to submit the certifications required by Subsection (a).

3-20 Sec. 201.211. LEGISLATIVE LOBBYING. (a) In addition to
3-21 Section 556.006, Government Code, a member of the commission, the
3-22 director, or a department employee may not use money under the
3-23 department's control or state resources to engage in an activity to
3-24 influence the passage or defeat of legislation, except as provided
3-25 by Subsection (c).

3-26 (b) Violation of Subsection (a) is grounds for dismissal of
3-27 an employee who directs or carries out the violation.

3-28 (c) This section does not prohibit a member of the
3-29 commission, the director, or a department employee from using state
3-30 resources to:

3-31 (1) provide public information or information
3-32 responsive to a request;

3-33 (2) communicate with officers and employees of the
3-34 federal government in pursuit of federal appropriations; or

3-35 (3) influence the passage or defeat of federal
3-36 legislation or regulation.

3-37 Sec. 201.212. ETHICS AFFIRMATION AND HOTLINE. (a) Each
3-38 department employee shall annually affirm the employee's
3-39 commitment to adhere to the ethics policy adopted under Section
3-40 572.051(c), Government Code.

3-41 (b) The department shall establish and operate a dedicated
3-42 telephone line that enables a person to call the number,
3-43 anonymously or not anonymously, to report alleged fraud, waste, or
3-44 abuse or an alleged violation of the ethics policy adopted under
3-45 Section 572.051(c), Government Code.

3-46 Sec. 201.213. LEGISLATIVE APPROPRIATIONS REQUEST.
3-47 Department staff shall deliver the department's legislative
3-48 appropriations request to the commission in an open meeting not
3-49 later than the 30th day before the commission adopts the
3-50 legislative appropriations request for submission to the
3-51 Legislative Budget Board.

3-52 SECTION 1.08. (a) Subchapter D, Chapter 201,
3-53 Transportation Code, is amended by adding Section 201.214 to read
3-54 as follows:

3-55 Sec. 201.214. ENVIRONMENTAL CERTIFICATION. (a) The
3-56 department shall establish a process to certify district
3-57 environmental specialists in the department, including
3-58 specialists for matters regarding compliance with state and
3-59 federal regulation of stormwater runoff and control.

3-60 (b) The certification process must include minimum
3-61 standards of training, as determined by the department,
3-62 including mandatory annual continuing education standards for a
3-63 certified person to be eligible for annual re-certification.
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3-67 (b) Not later than March 31, 2010, the Texas Department of
3-68 Transportation shall establish the certification process under
3-69 Section 201.214, Transportation Code, as added by Subsection (a) of

4-1 this section.

4-2 (c) Not later than September 30, 2010, each employee of the
4-3 Texas Department of Transportation whose job includes working on
4-4 the development of environmental reports and documents must have
4-5 successfully completed the certification process under Section
4-6 201.214, Transportation Code, as added by Subsection (a) of this
4-7 section.

4-8 SECTION 1.09. Section 201.301(a), Transportation Code, is
4-9 amended to read as follows:

4-10 (a) The commission shall elect an executive director for the
4-11 department. The director must be [~~a registered professional~~
4-12 ~~engineer in this state and~~] experienced and skilled in
4-13 transportation planning, development, construction, and
4-14 maintenance.

4-15 SECTION 1.10. Section 201.404(b), Transportation Code, is
4-16 amended to read as follows:

4-17 (b) The director or the director's designee shall develop a
4-18 system of annual performance evaluations that are based on
4-19 documented employee performance. All merit pay for department
4-20 employees must be based on the system established under this
4-21 subsection. If an annual performance evaluation indicates that an
4-22 employee's performance is unsatisfactory, the director or the
4-23 person designated by the director shall consider whether the
4-24 employee should be terminated. The annual performance evaluations
4-25 developed under this subsection must include the evaluation of an
4-26 employee's:

- 4-27 (1) professionalism;
- 4-28 (2) diligence; and
- 4-29 (3) responsiveness to directives and requests from the
- 4-30 director and the legislature.

4-31 SECTION 1.11. Section 201.703, Transportation Code, is
4-32 amended to read as follows:

4-33 Sec. 201.703. EXPENDITURES AND CONTRACTS FOR
4-34 TRANSPORTATION PROJECT OR PROGRAM [~~ROADS~~] NOT ON [~~THE~~] HIGHWAY
4-35 SYSTEM. (a) The department in conjunction with the Federal Highway
4-36 Administration may spend for a transportation program or for the
4-37 improvement of a transportation project [~~road~~] not on [~~in~~] the
4-38 state highway system money appropriated by the United States
4-39 Congress, [~~and~~] allocated by the United States secretary of
4-40 transportation to the department, and eligible under federal law
4-41 for expenditure on the project or program [~~road~~]. That federal
4-42 money may be matched or supplemented by an amount of state money
4-43 necessary for proper construction and performance of the work.

4-44 (b) State money may not be used exclusively for the
4-45 construction of a road not on [~~in~~] the state highway system.

4-46 (c) The expenditure of state money is limited to the cost of
4-47 construction and engineering, overhead, and other costs on which
4-48 the application of federal money is prohibited or impractical and
4-49 to the cost of providing federally required oversight.

4-50 (d) The department may:

4-51 (1) contract for work involving a road that is not on
4-52 the state highway system under this section in accordance with the
4-53 law that would apply to the department if the work were on the state
4-54 highway system; or

4-55 (2) authorize a local government to contract for the
4-56 work in accordance with commission rule or with the law that would
4-57 apply to the local government for a comparable project.

4-58 ~~SECTION 1.14. Section 202.021, Transportation Code, is~~
4-59 ~~amended by amending Subsection (e) and adding Subsection (e-1) to~~
4-60 ~~read as follows:~~

4-61 (e) The commission may waive payment for real property
4-62 transferred to a governmental entity under this section if:

4-63 (1) the estimated cost or future maintenance on the
4-64 property equals or exceeds the fair value of the property; or

4-65 (2) the property is a highway right-of-way and the
4-66 governmental entity assumes or has assumed jurisdiction, control,
4-67 and maintenance of the right-of-way for public road purposes.

4-68 (e-1) If property described by Subsection (e)(2) ceases to
4-69 be used for public road purposes, the real property rights

5-1 ~~transferred under this section terminate and automatically revert~~
5-2 ~~to and vest in this state.~~

5-3 SECTION 1.17. (a) Section 203.031, Transportation Code, is
5-4 amended by adding Subsection (a-1) to read as follows:

5-5 (a-1) In the exercise of its authority to manage access to
5-6 or from a controlled access highway under Subsection (a)(2) or (4),
5-7 the commission by rule shall:

5-8 (1) require that a decision by a department district
5-9 office denying a request for access to a specific location on a
5-10 controlled access highway be in writing and include the reasons for
5-11 the denial;

5-12 (2) provide procedures for appealing a denial under
5-13 Subdivision (1), including procedures that:

5-14 (A) allow the applicant to appeal the denial to
5-15 the department's design division before the 31st day after the date
5-16 written notice of the denial is given to the applicant;

5-17 (B) provide that if an appeal under Paragraph (A)
5-18 is not decided before the 91st day after the date the appeal was
5-19 filed, the access applied for must be granted; and

5-20 (C) allow the applicant to appeal the decision of
5-21 the design division to the director and, if the decision is
5-22 affirmed, to a board of variance appointed by the director and
5-23 composed of at least three persons who may not be below the level of
5-24 department division director, office director, or district
5-25 engineer and who were not involved in the original decision to deny
5-26 access;

5-27 (3) provide that properly platted access points to or
5-28 from a controlled access highway that are located on undeveloped
5-29 property are subject to the access management standards in effect
5-30 at the time the points were platted regardless of when the initial
5-31 request for access was submitted to the department, but only if:

5-32 (A) development of the property begins and the
5-33 request for access at the platted locations is submitted to the
5-34 department before the fifth anniversary of the date the plat was
5-35 recorded; and

5-36 (B) the design of the highway facility in the
5-37 vicinity of the platted access points did not materially change
5-38 after the date the plat was recorded so as to significantly impact
5-39 traffic patterns to the extent that the platted access points
5-40 present a threat to public safety;

5-41 (4) require that:

5-42 (A) owners of land adjacent to a proposed highway
5-43 construction project be provided written notice of the project at
5-44 least 60 days before the date construction begins if the project
5-45 will permanently alter permitted access to or from a controlled
5-46 access highway at the owners' existing locations; and

5-47 (B) the access described by Paragraph (A) be
5-48 reinstated to the most practicable extent possible after due
5-49 consideration of the impact on highway safety, mobility, and
5-50 efficient operation of any changed traffic patterns resulting from
5-51 the construction;

5-52 (5) adopt criteria for determining when a variance to
5-53 access management standards may be granted, including criteria
5-54 that, in addition to highway safety, mobility, and efficient
5-55 operation concerns, takes into consideration any of the following
5-56 consequences resulting from denial of the owner's request for
5-57 access to a specific location on a controlled access highway that
5-58 may impact a property owner:

5-59 (A) denial of reasonable access to the property;

5-60 and

5-61 (B) undue hardship on a business located on the
5-62 property; and

5-63 (6) clarify that the remodeling or demolition and
5-64 rebuilding of a business does not cause new access management
5-65 standards to apply unless the department makes an affirmative
5-66 finding in writing that the remodeled or rebuilt business will
5-67 significantly impact traffic patterns to the extent that the
5-68 current access location presents a threat to public safety.

5-69 (b) Not later than January 1, 2010, the Texas
Transportation Commission shall adopt the rules required by
Section 203.031(a-1), Transportation Code, as added by
Subsection (a) of this section.

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Code, is amended by adding section 202.061 to read as follows:

Sec. 202.061. ENVIRONMENTAL COVENANT. (a) The commission may enter into an environmental covenant for the purpose of subjecting real property in which the department has an ownership interest to a plan or the performance of work for environmental remediation if the plan or work performed is first approved by the Texas Commission on Environmental Quality or a federal agency with the authority to approve the plan or work under the applicable laws and regulations.

(b) The environmental covenant must:

- (1) contain a legally sufficient description of the property subject to the covenant;
- (2) describe the nature of the contamination on or under the property, including the contaminants, the source, if known, and the location and extent of the contamination; and
- (3) describe the activity and use limitations on the property.

(c) The plan or performance of work for environmental remediation must:

- (1) meet applicable state and federal standards for environmental remediation; and
- (2) bring the property into compliance with zoning or land use controls imposed on the property by each applicable local government.

(d) For each property for which the commission may enter into an environmental covenant, the commission by order may authorize the executive director to execute an environmental covenant on behalf of the commission. Not less than 30 days before the date the commission considers a proposed order under this subsection, the commission must mail to each owner of a property interest in the applicable property, each adjacent landowner, and each applicable local government a notice that includes a clear and concise description of the proposal to enter into the environmental covenant and a statement of the manner in which written comments may be submitted to the commission.

SECTION 1.13. Subchapter H, Chapter 201, Transportation Code, is amended by adding Section 201.625 to read as follows:

Sec. 201.625. TRANSPORTATION LEGISLATIVE OVERSIGHT COMMITTEE. (a) In this section, "committee" means the Transportation Legislative Oversight Committee.

(b) The committee is composed of the following members:

- (1) the chair of the Senate Committee on Transportation and Homeland Security and two members of that committee appointed by the lieutenant governor;
- (2) the chair of the House Committee on Transportation and two members of that committee appointed by the speaker of the house of representatives;
- (3) the chair of the Senate Committee on Finance; and
- (4) the chair of the House Committee on Appropriations.

(c) The chair of the Senate Committee on Transportation and Homeland Security and the chair of the House Committee on Transportation serve as the presiding officer of the committee on an alternating basis, with the chair of the Senate Committee on Transportation and Homeland Security serving as the first chair of the committee. The presiding officer of the committee serves a two-year term that expires February 1 of each odd-numbered year.

(d) The committee has all other powers and duties provided to a special committee by:

- (1) Subchapter B, Chapter 301, Government Code;
- (2) the rules of the senate and the house of representatives; and
- (3) policies of the senate and house committees on administration.

(e) The committee shall meet at least quarterly and at the call of the presiding officer.

(f) The committee shall monitor the following:

- (1) implementation of the changes in law made as a result of the sunset review process;
- (2) the progress made in transference of powers, duties, and property from the Texas Department of Transportation to

(k) The department shall consult with the committee on the scope of any outside management audit of the department's organizational structure.

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7-1 the Texas Department of Motor Vehicles;
7-2 (3) any proposed changes in the organization or
7-3 structure of the department;

7-4 (4) significant transportation policy initiatives at
7-5 both the state and federal levels;

7-6 (5) major projects of the department;

7-7 (6) the financial issues facing the department,
7-8 including the amounts and usage of dedicated and non-dedicated
7-9 state highway funds, the impacts of various bond programs, the
7-10 short-term and long-term cash forecast of the department, possible
7-11 revenue sources for the rail relocation and improvement fund, and
7-12 additional revenue sources for the Texas Mobility Fund; and

7-13 (7) reports on any subject requested by the committee
7-14 or determined by the department to be beneficial to the committee.

7-15 (g) The committee shall require the department to provide
7-16 reports to the committee as necessary to effectively perform the
7-17 committee's duties under Subsection (f).

7-18 (h) When the department files a quarterly financial
7-19 statement required by Section 201.107(a) with the governor, the
7-20 department shall provide a copy of that statement to the committee.

7-21 (i) Notwithstanding any other provision of this chapter,
7-22 the committee may not recommend specific projects or recommend
7-23 funding for specific projects at the department.

7-24 (j) The department shall enter into an interagency
7-25 agreement with the legislature, a chamber of the legislature, or a
7-26 legislative agency to provide funding to support the operation of
7-27 the committee from available amounts appropriated to the
7-28 department. The amount provided by the department for a state
7-29 fiscal biennium may not exceed \$1 million.

7-30 (1) This section expires August 31, 2013.

7-31 SECTION 1.14. Subchapter B, Chapter 223, Transportation
7-32 Code, is amended by adding Section 223.0411 to read as follows:

7-33 Sec. 223.0411. REPORT. (a) Not later than December 31,
7-34 2009, the comptroller shall submit a report to the governor, the
7-35 Transportation Legislative Oversight Committee, and the
7-36 Legislative Budget Board as provided by this section. In
7-37 developing the report, the comptroller shall collaborate with:

7-38 (1) the department;

7-39 (2) the Texas Board of Professional Engineers;

7-40 (3) the Associated General Contractors of Texas; and

7-41 (4) the Texas Council of Engineering Companies.

7-42 (b) The report must include:

7-43 (1) the number of licensed professional engineers and
7-44 graduate engineers employed by the department in each of the
7-45 previous five state fiscal years aggregated by work function and by
7-46 strategy;

7-47 (2) the dollar amount of highway and bridge projects
7-48 awarded by the department in each of the previous five state fiscal
7-49 years;

7-50 (3) the cost, including all direct and indirect costs,
7-51 aggregated by type of project per \$100 million, of highway and
7-52 bridge projects awarded by the department in each of the previous
7-53 five state fiscal years, including the percentage of those projects
7-54 for which activities were conducted by:

7-55 (A) department personnel;

7-56 (B) private sector personnel; and

7-57 (C) both department personnel and private sector
7-58 personnel;

7-59 (4) an analysis of the dollar volume impact to the
7-60 department's highway and bridge construction and maintenance
7-61 program per \$100 million of projects awarded for each one percent
7-62 increase in production by private sector personnel offset by a
7-63 reduction in the activities of department personnel, considering
7-64 the cost to perform activities described by Subdivision (3);

7-65 (5) a recommended plan for staffing and usage of
7-66 department and private sector personnel in the planning of
7-67 department highway and bridge projects for the next 10-year period
7-68 based on projected funding for the department;

7-69 (6) an attrition plan to achieve the department

8-1 staffing levels recommended in the plan under Subdivision (5)
8-2 before January 1, 2013, if those recommended levels are lower than
8-3 the corresponding staffing levels on September 1, 2009; and

8-4 (7) a detailed description as to how the results of the
8-5 report will be incorporated in the department's ongoing
8-6 restructuring efforts.

8-7 (c) The cost analysis required by Subsection (b)(3) shall be
8-8 conducted by an independent contract cost accounting firm that is
8-9 knowledgeable of governmental and private sector accounting
8-10 practices.

8-11 (d) The department may not hire a new employee to fill a
8-12 vacancy in a position paid out of funds appropriated to the
8-13 department for the planning, design, and management of
8-14 transportation projects in the General Appropriations Act
8-15 (Strategy A.1.1., or its successor) until:

8-16 (1) the comptroller submits the report required by
8-17 this section; and

8-18 (2) the Legislative Budget Board approves the
8-19 recommendations contained in the report.

8-20 (e) This section expires September 1, 2011.

8-21 SECTION 1.15. Subchapter F, Chapter 224, Transportation
8-22 Code, is amended by adding Section 224.1544 to read as follows:

8-23 Sec. 224.1544. VEHICLE SIZE AND WEIGHT LIMITS. (a) The
8-24 commission may authorize the operation of a vehicle or combination
8-25 that exceeds a height, length, or gross weight limitation in
8-26 Subchapter C, Chapter 621, on a lane of a highway that is designated
8-27 as an exclusive lane under Section 224.1541 if supported by an
8-28 engineering and traffic study that includes an analysis of the
8-29 structural capacity of bridges and pavements, current and projected
8-30 traffic patterns and volume, and potential effects on public
8-31 safety.

8-32 (b) This section does not authorize the operation of a
8-33 vehicle with an axle weight that is greater than that authorized by
8-34 Chapter 621, 622, or 623.

8-35 SECTION 1.16. Section 228.001, Transportation Code, is
8-36 amended by adding Subdivisions (2-a) and (7) to read as follows:

8-37 (2-a) "Operate" and "operation" include the
8-38 processing and collecting of tolls and the providing of related
8-39 customer services.

8-40 (7) "Registered owner" means:

8-41 (A) an owner as defined by Section 502.001; or

8-42 (B) the owner of a vehicle as shown on the vehicle
8-43 registration records of the department or the analogous department
8-44 or agency of another state or country.

8-45 ~~SECTION 1.17. (a) Section 228.004, Transportation Code, is~~
8-46 ~~amended to read as follows:~~

8-47 ~~Sec. 228.004. [PROMOTION OF] TOLL PROJECT INFORMATION~~

8-48 ~~(a) The department may, notwithstanding Chapter 2113, Government~~
8-49 ~~Code, engage in marketing, advertising, and other activities to~~
8-50 ~~provide information relating to pending or operating [promote the~~
8-51 ~~development and use of] toll projects, including information~~
8-52 ~~concerning the methods of paying and collecting tolls, and may~~
8-53 ~~enter into contracts or agreements necessary to procure marketing,~~
8-54 ~~advertising, or informational [other promotional] services from~~
8-55 ~~outside service providers.~~

8-56 ~~(b) This section does not authorize the department to engage~~
8-57 ~~in marketing, advertising, or other activities for the purpose of~~
8-58 ~~influencing public opinion about the use of toll roads or the use of~~
8-59 ~~tolls as a financial mechanism.~~

8-60 ~~(b) The change in law made by this section applies only to a~~
8-61 ~~contract or agreement entered into or renewed under Section~~
8-62 ~~228.004, Transportation Code, on or after the effective date of~~
8-63 ~~this Act. A contract or agreement entered into or renewed under~~
8-64 ~~that section before the effective date of this Act is governed by~~
8-65 ~~the law in effect immediately before that date, and that law is~~
8-66 ~~continued in effect for that purpose.~~

8-67 SECTION 1.17. Subsection (a), Section 228.054,
8-68 Transportation Code, is amended to read as follows:

8-69 (a) Except as provided by Subsection (e) or Section

9-1 228.0545, the operator of a vehicle, other than an authorized
9-2 emergency vehicle, as defined by Section 541.201, that is driven or
9-3 towed through a toll collection facility shall pay the proper toll.
9-4 The exemption from payment of a toll for an authorized emergency
9-5 vehicle applies regardless of whether the vehicle is:

- 9-6 (1) responding to an emergency;
- 9-7 (2) displaying a flashing light; or
- 9-8 (3) marked as an emergency vehicle.

9-9 SECTION 1.18. Subchapter B, Chapter 228, Transportation
9-10 Code, is amended by adding Section 228.0545 to read as follows:

9-11 Sec. 228.0545. ALTERNATIVE TOLLING METHODS. (a) As an
9-12 alternative to requiring payment of a toll at the time a vehicle is
9-13 driven or towed through a toll collection facility, the department
9-14 may use video billing or other tolling methods to permit the
9-15 registered owner of the vehicle to pay the toll on a later date.

9-16 (b) The department may use automated enforcement technology
9-17 authorized by Section 228.058 to identify the registered owner of
9-18 the vehicle for purposes of billing, collection, and enforcement
9-19 activities.

9-20 (c) The department shall send by first class mail to the
9-21 registered owner of the vehicle a written notice of the total amount
9-22 due. The notice must specify the date, which may not be earlier
9-23 than the 15th day after the date the notice is mailed, by which the
9-24 amount due must be paid. The registered owner shall pay the amount
9-25 due on or before the date specified in the notice.

9-26 (d) The department shall send the notice required by
9-27 Subsection (c) and subsequent notices to:

9-28 (1) the registered owner's address as shown in the
9-29 vehicle registration records of the department; or

9-30 (2) an alternate address provided by the owner or
9-31 derived through other reliable means.

9-32 (e) On or before October 1 of each year, the department
9-33 shall conduct a cost analysis to determine a policy on whether to
9-34 mail a notice under Subsection (c) after each time a vehicle is
9-35 driven or towed through a toll collection facility or only after a
9-36 certain number of times a vehicle is driven or towed through a
9-37 facility. The policy must ensure that the cost to the department of
9-38 collecting tolls as provided by this section does not exceed the
9-39 amount of the tolls and fees collected.

9-40 SECTION 1.19. Section 228.055, Transportation Code, is
9-41 amended by amending Subsections (a), (b), (d), (e), (h), and (i),
9-42 and adding Subsection (d-1) to read as follows:

9-43 (a) In the event of nonpayment of the ~~proper~~ toll as
9-44 required by Section 228.054 or 228.0545, on issuance of a written
9-45 notice of nonpayment, the registered owner of the nonpaying vehicle
9-46 is liable for the payment of both the proper toll and an
9-47 administrative fee.

9-48 (b) The department may impose and collect the
9-49 administrative fee, so as to recover the cost of collecting the
9-50 unpaid toll, not to exceed \$100. The department shall send a
9-51 written notice of nonpayment to the registered owner of the vehicle
9-52 at that owner's address as shown in the vehicle registration
9-53 records of the department or an alternate address provided by the
9-54 owner or derived through other reliable means. The notice of
9-55 nonpayment shall be sent by first class mail not later than the 90th
9-56 day after the date of the alleged failure to pay and may require
9-57 payment not sooner than the 30th day after the date the notice was
9-58 mailed. The registered owner shall pay a separate toll and
9-59 administrative fee for each event of nonpayment under Section
9-60 228.054 or 228.0545.

9-61 (d) It is an exception to the application of Subsection (a)
9-62 or (c) if the registered owner of the vehicle is a lessor of the
9-63 vehicle and not later than the 30th day after the date the notice of
9-64 nonpayment is mailed provides to the department:

9-65 (1) a copy of the rental, lease, or other contract
9-66 document covering the vehicle on the date of the nonpayment under
9-67 Section 228.054 or the date the vehicle was driven or towed through
9-68 a toll collection facility that results in a notice issued under
9-69 Section 228.0545, with the name and address of the lessee clearly

10-1 legible; or
10-2 (2) electronic data, in a format agreed on by the
10-3 department and the lessor, other than a photocopy or scan of a
10-4 rental or lease contract, that contains the information required
10-5 under Sections 521.460(c)(1), (2), and (3) covering the vehicle on
10-6 the date of the nonpayment under Section 228.054 or the date the
10-7 vehicle was driven or towed through a toll collection facility that
10-8 results in a notice issued under Section 228.0545.

10-9 (d-1) If the lessor provides the required information
10-10 within the period prescribed under Subsection (d), the department
10-11 may send a notice of nonpayment to the lessee at the address
10-12 provided under Subsection (d) [~~shown on the contract document~~]
10-13 by first class mail before the 30th day after the date of receipt of
10-14 the required information from the lessor. The lessee of the vehicle
10-15 for which the proper toll was not paid who is mailed a written
10-16 notice of nonpayment under this subsection and fails to pay the
10-17 proper toll and administrative fee within the time specified by the
10-18 notice of nonpayment commits an offense. The lessee shall pay a
10-19 separate toll and administrative fee for each event of nonpayment.
10-20 Each failure to pay a toll or administrative fee under this
10-21 subsection is a separate offense.

10-22 (e) It is an exception to the application of Subsection (a)
10-23 or (c) if the registered owner of the vehicle transferred ownership
10-24 of the vehicle to another person before the event of nonpayment
10-25 under Section 228.054 occurred or before the date the vehicle was
10-26 driven or towed through a toll collection facility that results in a
10-27 notice issued under Section 228.0545, submitted written notice of
10-28 the transfer to the department in accordance with Section 520.023,
10-29 and, before the 30th day after the date the notice of nonpayment is
10-30 mailed, provides to the department the name and address of the
10-31 person to whom the vehicle was transferred. If the former owner of
10-32 the vehicle provides the required information within the period
10-33 prescribed, the department may send a notice of nonpayment to the
10-34 person to whom ownership of the vehicle was transferred at the
10-35 address provided by the former owner by first class mail before the
10-36 30th day after the date of receipt of the required information from
10-37 the former owner. The department may send all subsequent notices of
10-38 nonpayment associated with the vehicle to the person to whom
10-39 ownership of the vehicle was transferred at the address provided by
10-40 the former owner or an alternate address provided by the subsequent
10-41 owner or derived through other reliable means. The subsequent
10-42 owner of the vehicle for which the proper toll was not paid who is
10-43 mailed a written notice of nonpayment under this subsection and
10-44 fails to pay the proper toll and administrative fee within the time
10-45 specified by the notice of nonpayment commits an offense. The
10-46 subsequent owner shall pay a separate toll and administrative fee
10-47 for each event of nonpayment under Section 228.054 or 228.0545.
10-48 Each failure to pay a toll or administrative fee under this
10-49 subsection is a separate offense.

10-50 (h) [~~In this section, "registered owner" means the owner of~~
10-51 ~~a vehicle as shown on the vehicle registration records of the~~
10-52 ~~department or the analogous department or agency of another state~~
10-53 ~~or country.~~

10-54 [~~(i)~~] The department may contract, in accordance with
10-55 Section 2107.003, Government Code, with a person to collect the
10-56 unpaid toll and administrative fee before referring the matter to a
10-57 court with jurisdiction over the offense.

10-58 SECTION 1.20. Subsections (b) and (c), Section 228.056,
10-59 Transportation Code, are amended to read as follows:

10-60 (b) In the prosecution of an offense under Section
10-61 228.055(c), (d-1) [~~(d)~~], or (e):

10-62 (1) it is presumed that the notice of nonpayment was
10-63 received on the fifth day after the date of mailing;

10-64 (2) a computer record of the department of the
10-65 registered owner of the vehicle is prima facie evidence of its
10-66 contents and that the defendant was the registered owner of the
10-67 vehicle when the underlying event of nonpayment under Section
10-68 228.054 occurred or on the date the vehicle was driven or towed
10-69 through a toll collection facility that results in a notice issued

11-1 under Section 228.0545; and
11-2 (3) a copy of the rental, lease, or other contract
11-3 document, or the electronic data provided to the department under
11-4 Section 228.055(d), covering the vehicle on the date of the
11-5 underlying event of nonpayment under Section 228.054 or on the date
11-6 the vehicle was driven or towed through a toll collection facility
11-7 that results in a notice issued under Section 228.0545 is prima
11-8 facie evidence of its contents and that the defendant was the lessee
11-9 of the vehicle when the underlying event of nonpayment under
11-10 Section 228.054 occurred or when the vehicle was driven or towed
11-11 through a toll collection facility that results in a notice issued
11-12 under Section 228.0545.

11-13 (c) It is a defense to prosecution under Section 228.055(c),
11-14 (d-1) [(d)], or (e) that the motor vehicle in question was stolen
11-15 before the failure to pay the proper toll occurred and had not been
11-16 recovered before the failure to pay occurred, but only if the theft
11-17 was reported to the appropriate law enforcement authority before
11-18 the earlier of:

- 11-19 (1) the occurrence of the failure to pay; or
- 11-20 (2) eight hours after the discovery of the theft.

11-21 SECTION 1.21. Section 228.057, Transportation Code, is
11-22 amended by adding Subsections (g) and (h) to read as follows:

11-23 (g) The department may, following closure of an electronic
11-24 toll collection customer account and at the request of the account
11-25 holder, refund the balance of funds in the account after making a
11-26 deduction for any outstanding tolls and fees.

11-27 (h) The department may enter into an agreement with a
11-28 governmental or private entity regarding the use of a transponder
11-29 issued by the department and the corresponding electronic toll
11-30 collection customer account to pay for parking services offered by
11-31 the entity.

11-32 SECTION 1.22. Subsection (b), Section 228.058,
11-33 Transportation Code, is amended to read as follows:

11-34 (b) Automated enforcement technology approved by the
11-35 department under Subsection (a) may be used only for the purpose of
11-36 producing, depicting, photographing, or recording an image that
11-37 depicts that portion of a vehicle necessary to establish the
11-38 classification of vehicle and the proper toll to be charged, the
11-39 license plate number, and the state or country of registration,
11-40 including an image:

- 11-41 (1) of a license plate attached to the front or rear of
11-42 a vehicle; and
- 11-43 (2) showing the vehicle dimensions, the presence of a
11-44 trailer, and the number of axles.

11-45 ~~SECTION 1.28. (a) Section 228.201, Transportation Code, is~~
11-46 ~~amended by amending Subsection (a) and adding Subsection (a-1) to~~
11-47 ~~read as follows:~~

11-48 ~~(a) The [Except as provided by Section 228.2015, the~~
11-49 ~~department may not operate a nontolled state highway or a segment of~~
11-50 ~~a nontolled state highway as a toll project, and may not transfer a~~
11-51 ~~highway or segment to another entity for operation as a toll~~
11-52 ~~project, unless:~~

- 11-53 ~~(1) the commission by order designated the highway or~~
11-54 ~~segment as a toll project before the contract to construct the~~
11-55 ~~highway or segment was awarded;~~
- 11-56 ~~(2) the highway or segment was open to traffic as a~~
11-57 ~~turnpike project on or before September 1, 2005;~~
- 11-58 ~~(3) the project was designated as a toll project in a~~
11-59 ~~plan or program of a metropolitan planning organization on or~~
11-60 ~~before September 1, 2005;~~

11-61 ~~(4) the highway or segment is reconstructed so that~~
11-62 ~~the number of nontolled lanes on the highway or segment is greater~~
11-63 ~~than or equal to the number in existence before the reconstruction;~~

11-64 ~~(5) a facility that has access, function, and control~~
11-65 ~~devices similar to the converted highway or segment before~~
11-66 ~~conversion is constructed adjacent to the highway or segment so~~
11-67 ~~that the number of nontolled lanes on the converted highway or~~
11-68 ~~segment and the adjacent facility together is greater than or equal~~
11-69 ~~to the number in existence on the converted highway or segment.~~

12-1 before the conversion, or
12-2 (6) subject to Subsection (b), the highway or segment
12-3 was open to traffic as a high-occupancy vehicle lane on May 1
12-4 2005[~~or~~
12-5 [~~(7) the commission converts the highway or segment to~~
12-6 ~~a toll facility by:~~
12-7 [~~(A) making the determination required by~~
12-8 ~~Section 228.202,~~
12-9 [~~(B) conducting the hearing required by Section~~
12-10 ~~228.203, and~~
12-11 [~~(C) obtaining county and voter approval as~~
12-12 ~~required by Sections 228.207 and 228.208].~~
12-13 (a-1) Subsection (a) does not apply to a port of entry, as
12-14 defined by Section 621.801.
12-15 (b) Sections 228.202, 228.203, 228.207, and 228.208
12-16 Transportation Code, are repealed.
12-17 (c) The change in law made by this Act to Section
12-18 228.201(a)(5), Transportation Code, does not apply to:
12-19 (1) the State Highway 130, Segments 5 and 6, project in
12-20 Travis, Caldwell, and Guadalupe Counties;
12-21 (2) the DFW Connector project in Tarrant and Dallas
12-22 Counties (State Highway 114 from State Highway 114L Business to
12-23 east of International Parkway and State Highway 121 from north of FM
12-24 2499 to south of State Highway 360);
12-25 (3) the North Tarrant Express project in Tarrant and
12-26 Dallas Counties (IH 820 and State Highway 121/State Highway 183
12-27 from IH 35W to State Highway 161, IH 820 east from State Highway
12-28 121/State Highway 183 to Randol Mill Road, and IH 35W from IH 30 to
12-29 State Highway 170);
12-30 (4) the IH 635 managed lanes project in Dallas County
12-31 (IH 635 from east of Luna Road to Greenville Avenue and IH 35E from
12-32 south of the Loop 12/IH 35E split to south of Valwood Parkway); or
12-33 (5) the U.S. Highway 290 project from east of U.S.
12-34 Highway 183 to east of Farm-to-Market Road 734 in Travis County.
12-35 (d) A project described by Subsection (c) of this section is
12-36 governed by Subchapter E, Chapter 228, Transportation Code, as that
12-37 subchapter existed immediately before the effective date of this
12-38 Act, and that subchapter is continued in effect for that purpose.
12-39 ~~SECTION 1.29. Section 284.0701, Transportation Code, is~~
12-40 ~~amended by amending Subsection (d) and adding Subsection (d-1) to~~
12-41 ~~read as follows:~~
12-42 (d) It is an exception to the application of Subsection (a)
12-43 or (c) if the registered owner of the vehicle is a lessor of the
12-44 vehicle and not later than the 30th day after the date the notice of
12-45 nonpayment is mailed provides to the authority:
12-46 (1) a copy of the rental, lease, or other contract
12-47 document covering the vehicle on the date of the nonpayment under
12-48 Section 284.070, with the name and address of the lessee clearly
12-49 legible; or
12-50 (2) electronic data, other than a photocopy or scan of
12-51 a rental or lease contract, that contains the information required
12-52 under Sections 521.460(c)(1), (2), and (3) covering the vehicle on
12-53 the date of the nonpayment under Section 284.070.
12-54 (d-1) If the lessor provides the required information
12-55 within the period prescribed under Subsection (d), the authority
12-56 may send a notice of nonpayment to the lessee at the address
12-57 provided under Subsection (d) [~~shown on the contract document~~] by
12-58 first class mail before the 30th day after the date of receipt of
12-59 the required information from the lessor. The lessee of the vehicle
12-60 for which the proper toll was not paid who is mailed a written
12-61 notice of nonpayment under this subsection and fails to pay the
12-62 proper toll and administrative cost within the time specified by
12-63 the notice of nonpayment commits an offense. The lessee shall pay a
12-64 separate toll and administrative cost for each event of nonpayment.
12-65 Each failure to pay a toll or administrative cost under this
12-66 subsection is a separate offense.
12-67 SECTION 1.30. Sections 284.0702(b) and (c), Transportation
12-68 Code, are amended to read as follows:
12-69 (b) In the prosecution of an offense under Section

13-1 284.0701(c), ~~(d-1) [(d)], or (e).~~

13-2 ~~(1) [7] a computer record of the department of the~~
13-3 ~~registered owner of the vehicle is prima facie evidence of its~~
13-4 ~~contents and that the defendant was the registered owner of the~~
13-5 ~~vehicle when the underlying event of nonpayment under Section~~
13-6 ~~284.070 occurred; and~~

13-7 ~~(2) a copy of the rental, lease, or other contract~~
13-8 ~~document or the electronic data provided to the authority under~~
13-9 ~~Section 284.0701(d), covering the vehicle on the date of the~~
13-10 ~~underlying event of nonpayment under Section 284.070 is prima facie~~
13-11 ~~evidence of its contents and that the defendant was the lessee of~~
13-12 ~~the vehicle when the underlying event of nonpayment under Section~~
13-13 ~~284.070 occurred.~~

13-14 ~~(c) It is a defense to prosecution under Section~~
13-15 ~~284.0701(c), ~~(d-1) [(d)], or (e) that the vehicle in question was~~~~
13-16 ~~stolen before the failure to pay the proper toll occurred and had~~
13-17 ~~not been recovered before the failure to pay occurred, but only if~~
13-18 ~~the theft was reported to the appropriate law enforcement authority~~
13-19 ~~before the earlier of:~~

- 13-20 ~~(1) the occurrence of the failure to pay; or~~
- 13-21 ~~(2) eight hours after the discovery of the theft.~~

13-22 SECTION 1.31. Section 366.178, Transportation Code, is
13-23 amended by amending Subsections (f) and (i) and adding Subsection
13-24 (i-1) to read as follows

13-25 (f) In the prosecution of a violation for nonpayment, proof
13-26 that the vehicle passed through a toll collection facility without
13-27 payment of the proper toll together with proof that the defendant
13-28 was the registered owner or the driver of the vehicle when the
13-29 failure to pay occurred, establishes the nonpayment of the
13-30 registered owner. The proof may be by testimony of a peace officer
13-31 or authority employee, video surveillance, or any other reasonable
13-32 evidence, including a copy of the rental, lease, or other contract
13-33 document or the electronic data provided to the authority under
13-34 Subsection (i) that shows the defendant was the lessee of the
13-35 vehicle when the underlying event of nonpayment occurred.

13-36 (i) A registered owner who is the lessor of a vehicle for
13-37 which a notice of nonpayment has been issued is not liable if, not
13-38 later than the 30th day after the date the notice of nonpayment is
13-39 mailed, the registered owner provides to the authority:

- 13-40 (1) a copy of the rental, lease, or other contract
13-41 document [lease agreement] covering the vehicle on the date of the
13-42 nonpayment, with the [The] name and address of the lessee [must
13-43 be] clearly legible; or

13-44 (2) electronic data, other than a photocopy or scan of
13-45 a rental or lease contract, that contains the information required
13-46 under Sections 521.460(c)(1), (2), and (3) covering the vehicle on
13-47 the date of the nonpayment under this section.

13-48 (i-1) If the lessor timely provides the required
13-49 information under Subsection (i), the lessee of the vehicle on the
13-50 date of the violation is considered to be the owner of the vehicle
13-51 for purposes of this section. The lessee is subject to prosecution
13-52 for failure to pay the proper toll if the authority sends a notice
13-53 of nonpayment to the lessee by first-class mail not later than the
13-54 30th day after the date of the receipt of the information from the
13-55 lessor.

13-56 SECTION 1.32. Section 370.177, Transportation Code, is
13-57 amended by amending Subsections (e), (g), and (i) and adding
13-58 Subsection (e-1) to read as follows:

13-59 (e) It is an exception to the application of Subsection (b)
13-60 or (d) that the registered owner of the vehicle is a lessor of the
13-61 vehicle and not later than the 30th day after the date the notice of
13-62 nonpayment is mailed provides to the authority:

- 13-63 (1) a copy of the rental, lease, or other contract
13-64 document covering the vehicle on the date of the nonpayment under
13-65 Subsection (a), with the name and address of the lessee clearly
13-66 legible; or

13-67 (2) electronic data, other than a photocopy or scan of
13-68 a rental or lease contract, that contains the information required
13-69 under Sections 521.460(c)(1), (2), and (3) covering the vehicle on

14-1 ~~the date of the nonpayment under Subsection (a).~~
 14-2 ~~(e-1) If the lessor provides the required information~~
 14-3 ~~within the period prescribed under Subsection (e), the authority~~
 14-4 ~~may send a notice of nonpayment to the lessee at the address~~
 14-5 ~~provided under Subsection (e) [shown on the contract document] by~~
 14-6 ~~first class mail before the 30th day after the date of receipt of~~
 14-7 ~~the required information from the lessor. The lessee of the vehicle~~
 14-8 ~~for which the proper toll was not paid who is mailed a written~~
 14-9 ~~notice of nonpayment under this subsection and fails to pay the~~
 14-10 ~~proper toll and administrative fee within the time specified by the~~
 14-11 ~~notice of nonpayment commits an offense. The lessee shall pay a~~
 14-12 ~~separate toll and administrative fee for each event of nonpayment.~~
 14-13 ~~Each failure to pay a toll or administrative fee under this~~
 14-14 ~~subsection is a separate offense.~~

14-15 (g) An offense under Subsection (d), (e-1) [~~(e)~~], or (f) is
 14-16 a misdemeanor punishable by a fine not to exceed \$250.

14-17 (i) In the prosecution of an offense under this section,
 14-18 proof that the vehicle passed through a toll collection facility
 14-19 without payment of the proper toll together with proof that the
 14-20 defendant was the registered owner or the driver of the vehicle when
 14-21 the failure to pay occurred, establishes the nonpayment of the
 14-22 registered owner. The proof may be by testimony of a peace officer
 14-23 or authority employee, video surveillance, or any other reasonable
 14-24 evidence, including:

14-25 (1) evidence obtained by automated enforcement
 14-26 technology that the authority determines is necessary, including
 14-27 automated enforcement technology described by Sections 228.058(a)
 14-28 and (b) or

14-29 (2) a copy of the rental, lease, or other contract
 14-30 document or the electronic data provided to the authority under
 14-31 subsection (e) that shows the defendant was the lessee of the
 14-32 vehicle when the underlying event of nonpayment occurred.

14-33 SECTION 1.33. Subchapter A, Chapter 621, Transportation
 14-34 Code, is amended by adding Section 621.008 to read as follows:

14-35 Sec. 621.008. STUDY REGARDING OVERSIZE AND OVERWEIGHT
 14-36 VEHICLES. (a) The department shall conduct a study to determine
 14-37 improvements to the regulation of oversize and overweight vehicles.

14-38 (b) In conducting the study, the department shall consider:

14-39 (1) prohibiting overweight vehicles or vehicle
 14-40 combinations from traveling on state highways if the vehicle or
 14-41 combination will cause damage to a road or bridge, based on the
 14-42 weight or load specifications to which the road or bridge was built;

14-43 (2) requiring each applicant for a permit under
 14-44 Chapter 623 to pay a graduated highway maintenance fee based on
 14-45 weight and the amount of damage done by the permitted vehicle or
 14-46 vehicle combination to roads and bridges;

14-47 (3) requiring each fee collected for an overweight or
 14-48 oversize vehicle permit to be deposited in the state highway fund;
 14-49 and

14-50 (4) eliminating all exemptions for overweight
 14-51 vehicles.

14-52 (c) Not later than September 1, 2010, the department shall
 14-53 report the results of the study conducted under this section to the
 14-54 governor, the lieutenant governor, the speaker of the house of
 14-55 representatives, and the appropriate oversight committee of each
 14-56 house of the legislature.

14-57 (d) This section expires September 1, 2011.

14-58 ~~SECTION 1.34. Section 201.0545, Transportation Code, is~~
 14-59 ~~repealed.~~

14-60 SECTION 1.34. Section 545.353, Transportation Code, is
 14-61 amended by adding Subsection (h-2) to read as follows:

14-62 (h-2) Notwithstanding Section 545.352(b), the commission
 14-63 may establish a speed limit of 85 miles per hour on a part of the
 14-64 state highway system if:

14-65 (1) as a result of an engineering and traffic
 14-66 investigation the commission determines that 85 miles per hour is a
 14-67 reasonable and safe speed for that part of the highway system; and

14-68 (2) that part of the highway system is designed for
 14-69 travel at a speed of 85 miles per hour or more.

1 SECTION 1.25 . Sections 201.105(a) and (b), Transportation
2 Code, are amended to read as follows:

3 (a) The commission shall divide the state into ~~[not more~~
4 ~~than 25]~~ districts for the purpose of the performance of the
5 department's duties.

6 (b) ~~The [In determining a district's boundaries, the]~~
7 commission may align the districts' boundaries along the
8 boundaries of regional planning commissions created under
9 Chapter 391, Local Government Code, and shall consider all costs
10 and benefits, including highway activity in determining [and]
11 the number of employees required for the proposed districts
12 [district].

13
14 SECTION 1.26 . Section 201.109(b), Transportation Code, is
15 amended to read as follows:

16 (b) In carrying out this section, the commission shall
17 provide for:

18 (1) ~~[maximizing the generation of revenue from~~
19 ~~existing assets of the department, including real estate;~~

20 ~~[(2) increasing the role of the private sector and~~
21 ~~public-private projects in the leasing of real estate and other~~
22 ~~assets in the development of highway projects;~~

23 ~~[(3)]~~ setting and attempting to meet annual revenue
24 enhancement goals;

25 (2) ~~[(4)]~~ reporting on the progress in meeting
26 revenue enhancement goals in the department's annual report;

27 (3) ~~[(5)]~~ contracting for an independent audit of the
28 department's management and business operations in 2007 and each
29 12th year after 2007; and

30 (4) ~~[(6)]~~ developing a cost-benefit analysis between
31 the use of local materials previously incorporated into roadways
32 versus use of materials blended or transported from other
33 sources~~[-and~~

34 ~~[(7) increasing private investment in the~~
35 ~~transportation infrastructure, including the acquisition of~~
36 ~~causeways, bridges, tunnels, turnpikes, or other transportation~~
37 ~~facilities, in the border region, including the counties of~~
38 ~~Atascosa, Bandera, Bexar, Brewster, Brooks, Cameron, Crockett,~~
39 ~~Culberson, Dimmit, Duval, Edwards, El Paso, Frio, Hidalgo,~~
40 ~~Hudspeth, Jeff Davis, Jim Hogg, Jim Wells, Kenedy, Kerr, Kimble,~~
41 ~~Kinney, Kleberg, La Salle, Live Oak, Maverick, McMullen, Medina,~~
42 ~~Nueces, Pecos, Presidio, Real, Reeves, San Patricio, Starr,~~
43 ~~Sutton, Terrell, Uvalde, Val Verde, Webb, Willacy, Zapata, and~~
44 ~~Zavala].~~

45
46 SECTION 1.27 . Section 201.403, Transportation Code, is
47 amended by adding Subsection (a-1) to read as follows:

48 (a-1) The department is not required to comply with the
49 requirements of Subsection (a) when the department transfers or
50 reassigns an employee:

51 (1) as part of a reorganization if the director
52 certifies that the transfer or reassignment is necessary for the
53 proper implementation of the reorganization; or

54 (2) to fill a vacancy during a hiring freeze mandated
55 by the legislature.

56
57 SECTION 1.28 . Subchapter H, Chapter 201, Transportation
58 Code, is amended by adding Section 201.6041 to read as follows:

59 Sec. 201.6041. DELEGATION OF ENVIRONMENTAL REVIEW TO LOCAL
60 TOLL PROJECT ENTITY. (a) In this section, "local toll project
61 entity" means:

1 (1) a county under Chapter 284;
2 (2) a regional tollway authority under Chapter 366;

3 or

4 (3) a regional mobility authority under Chapter 370.

5 (b) To the extent permitted by law, the department may
6 delegate to the entity all responsibility for obtaining
7 environmental review required for a project to be developed and
8 constructed by the entity using federal or state funds, or a
9 project to be constructed on a part of the federal highway
10 system or state highway system. If authority is delegated under
11 this section:

12 (1) the local toll project entity's environmental
13 documents, environmental studies, and public involvement
14 activities must comply with state procedures;

15 (2) the local toll project entity must provide the
16 environmental documentation to the department;

17 (3) the environmental documents must meet the
18 approval of the United States Department of Transportation,
19 Federal Highway Administration, if the project requires the
20 approval of that agency; and

21 (4) the environmental documents must meet the
22 approval of the department, if the project affects a part of the
23 state highway system.

24
25 SECTION 1.29 . Subchapter H, Chapter 201, Transportation
26 Code, is amended by adding Section 201.6042 to read as follows:

27 Sec. 201.6042. ALTERNATIVES TO TOLLING; REPORT. Before
28 the department may enter into a contract for the construction of
29 a tolled highway project, the department must submit to the
30 legislature a report summarizing the findings of the draft
31 environmental impact statement or other similar statement under
32 Section 201.604, as applicable, associated with the project that
33 relate to the comparison of the advantages and disadvantages of
34 pursuing the project as a tolled highway project instead of a
35 nontolled highway project or any other alternatives.

36
37 SECTION 1.30 . Subchapter H, Chapter 201, Transportation
38 Code, is amended by adding Section 201.622 to read as follows:

39 Sec. 201.622. EVALUATION FOR TOLLING NOT REQUIRED. The
40 commission may not require that each highway or other mobility
41 project that is proposed, in development, or under construction
42 be evaluated for tolling.

43
44 SECTION 1.31 . Section 201.706, Transportation Code, is
45 amended to read as follows:

46 Sec. 201.706. LOCAL GOVERNMENT ASSISTANCE. From
47 appropriated funds, the department shall assist counties with
48 materials to repair and maintain county roads. The department
49 shall:

50 (1) provide that the total annual value of assistance
51 under this section is [+

52 [+A) at least \$12 million per year for fiscal years
53 1998 and 1999; and

54 [+B) at least [\$6] \$18 million per year for a fiscal
55 year, but only if surplus material is available [other than 1998
56 or 1999];

57 (2) make maximum usage of surplus materials on hand;

58 (3) develop rules and procedures to implement this
59 section and to provide for the distribution of the assistance
60 with preference given to counties with an above average number
61 of overweight trucks receiving weight tolerance permits based on

1 the previous year's permit totals; and
2 (4) undertake cooperative and joint procurement of
3 road materials with counties under procedures of the
4 comptroller.

5
6 SECTION 1.32 . Section 201.802, Transportation Code, is
7 amended to read as follows:

8 Sec. 201.802. PUBLIC ACCESS TO COMMISSION [~~AND TO~~
9 ~~DEPARTMENT PROGRAMS~~]. [~~(a)~~] The commission shall develop and
10 implement policies that provide the public with a reasonable
11 opportunity to appear before the commission and speak on any
12 issue under the jurisdiction of the department [~~commission~~].

13 [~~(b)~~] ~~The director shall prepare and maintain a written~~
14 ~~plan that describes the manner in which a person who does not~~
15 ~~speak English or who has a physical, mental, or developmental~~
16 ~~disability is provided reasonable access to the department's~~
17 ~~programs.~~

18 [~~(c)~~] ~~The department shall comply with each applicable law~~
19 ~~of the United States or this state that relates to program or~~
20 ~~facility accessibility.]~~

21
22 SECTION 1.33 . Section 201.903, Transportation Code, is
23 amended by adding Subsection (c) to read as follows:

24 (c) To the extent allowed by federal law, each department
25 sign on Interstate Highway 35 that identifies an intersection of
26 that highway and U.S. Highway 57 and includes the name of a
27 municipality or an unincorporated community located on U.S.
28 Highway 57 must also contain the words "Crystal City."

29
30 SECTION 1.34 . Section 202.021, Transportation Code, is
31 amended by amending Subsection (a) and adding Subsections (a-1)
32 and (a-2) to read as follows:

33 (a) The commission shall make the strongest effort to
34 dispose of property that has ceased to serve the functions of
35 the department.

36 (a-1) The commission shall annually [may] recommend to the
37 governor the sale or transfer of any interest in real property,
38 including a highway right-of-way, that:

39 (1) was acquired for a highway purpose; and
40 (2) as determined by the commission, is no longer
41 needed for a state highway purpose.

42 (a-2) In determining whether an interest in real property
43 has ceased to serve the functions of the department, the
44 commission shall take into consideration the reasonable
45 projected use of the property during the following 10 years.

46
47 SECTION 1.35 . Subchapter B, Chapter 202, Transportation
48 Code, is amended by adding Section 202.0215 to read as follows:

49 Sec. 202.0215. OFFER OF CERTAIN REAL PROPERTY TO NONPROFIT
50 CORPORATION. (a) In this section, "nonprofit corporation"
51 means a corporation governed as a nonprofit corporation under
52 the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq.,
53 Vernon's Texas Civil Statutes) or under Chapter 22, Business
54 Organizations Code.

55 (b) The department as part of the acquisition of real
56 property for right-of-way purposes may take title to unusable
57 remainder real property not to be used for right-of-way
58 purposes.

59 (c) Notwithstanding Section 202.021 and to the extent
60 permitted by law, the department shall consider offering the
61 real property described by Subsection (b) to a nonprofit

1 corporation designated by the municipality in which the real
2 property is located or, if the real property is not located in a
3 municipality, by the county in which the real property is
4 located, without cost or expense to the designated nonprofit
5 corporation.

6 (d) Property acquired under this section by a nonprofit
7 corporation or by another entity from a nonprofit corporation
8 that acquired the property under this section must be used for
9 the public purpose of development and diversification of the
10 state economy.

11
12 SECTION 1.36. Subchapter B, Chapter 202, Transportation
13 Code is amended by adding Section 202.036 to read as follows:

14 Sec. 202.036. SALE OF PRESIDIO INTERNATIONAL BRIDGE. (a)
15 The department shall sell at cost and convey the Presidio
16 International Bridge to the City of Presidio and County of
17 Presidio only if:

18 (1) the sale is allowed under federal law;

19 (2) the County of Presidio and the City of Presidio
20 jointly send to the department a written request for the sale;
21 and

22 (3) the department is able to verify that the County
23 of Presidio and the City of Presidio have obtained the
24 appropriate financing to purchase the bridge.

25 (b) The department shall expeditiously handle the sale
26 under this section in accordance with applicable state and
27 federal laws.

28 (c) The department may maintain a maximum of a 10 percent
29 minority share ownership of the bridge, but only if such an
30 ownership does not preclude the County of Presidio and the City
31 of Presidio from charging a toll for use of the bridge by
32 passenger, commercial, pedestrian, or other traffic.

33
34 SECTION 1.37. Section 203.031, Transportation Code, is
35 amended by adding Subsection (a-1) to read as follows:

36 (a-1) In the exercise of its authority to manage access to
37 or from a controlled access highway under Subsection (a)(2) or
38 (4), the commission by rule shall:

39 (1) require that a decision by a department district
40 office denying a request for access to a specific location on a
41 controlled access highway be in writing and include the reasons
42 for the denial;

43 (2) provide procedures for appealing a denial under
44 Subdivision (1), including procedures that:

45 (A) allow the applicant to appeal the denial to
46 the department's design division before the 31st day after the
47 date written notice of the denial is given to the applicant;

48 (B) provide that if an appeal under Paragraph
49 (A) is not decided before the 91st day after the date the appeal
50 was filed, the access applied for must be granted; and

51 (C) allow the applicant to appeal the decision
52 of the design division to the director, and if the decision is
53 affirmed, to a board of variance appointed by the director and
54 composed of at least three persons who may not be below the
55 level of department division director, office director, or
56 district engineer, and who were not involved in the original
57 decision to deny access;

58 (3) provide that properly platted access points to or
59 from a controlled access highway that are located on undeveloped
60 property are subject to the access management standards in
61 effect at the time the points were platted regardless of when

1 the initial request for access was submitted to the department,
2 but only if:

3 (A) development of the property begins and the
4 request for access at the platted locations is submitted to the
5 department before the fifth anniversary of the date the plat was
6 recorded; and

7 (B) the design of the highway facility in the
8 vicinity of the platted access points did not materially change
9 after the date the plat was recorded so as to significantly
10 impact traffic patterns to the extent that the platted access
11 points present a threat to public safety;

12 (4) require that:

13 (A) owners of land adjacent to a proposed
14 highway construction project be provided written notice of the
15 project at least 60 days before the date construction begins if
16 the project will permanently alter permitted access to or from a
17 controlled access highway at the owners' existing locations; and

18 (B) the access described by Paragraph (A) be
19 reinstated to the most practicable extent possible after due
20 consideration of the impact on highway safety, mobility, and
21 efficient operation of any changed traffic patterns resulting
22 from the construction;

23 (5) adopt criteria for determining when a variance to
24 access management standards may be granted, including criteria
25 that, in addition to highway safety, mobility, and efficient
26 operation concerns, takes into consideration any of the
27 following consequences resulting from denial of the owner's
28 request for access to a specific location on a controlled access
29 highway that may impact a property owner:

30 (A) denial of reasonable access to the property;
31 and

32 (B) undue hardship on a business located on the
33 property; and

34 (6) clarify that the remodeling or demolition and
35 rebuilding of a business does not cause new access management
36 standards to apply unless the department makes an affirmative
37 finding in writing that the remodeled or rebuilt business will
38 significantly impact traffic patterns to the extent that the
39 current access location presents a threat to public safety.

40
41 SECTION 138 . Subchapter A, Chapter 222, Transportation
42 Code, is amended by adding Section 222.004 to read as follows:

43 Sec. 222.004. AUTHORIZATION TO PROVIDE ASSISTANCE TO
44 EXPEDITE ENVIRONMENTAL REVIEW. (a) The department, a county, a
45 regional tollway authority operating under Chapter 366, or a
46 regional mobility authority operating under Chapter 370 may
47 enter into an agreement to provide funds to a state or federal
48 agency to expedite the agency's performance of its duties
49 related to the environmental review process for transportation
50 projects:

51 (1) of the department;

52 (2) listed in a metropolitan planning organization's
53 long-range transportation plan under 23 U.S.C. Section 134; or

54 (3) of a county, a regional tollway authority
55 operating under Chapter 366, or a regional mobility authority
56 operating under Chapter 370.

57 (b) Except as provided by Subsection (c), an agreement
58 entered into under this section:

59 (1) may specify transportation projects the
60 applicable entity considers to be priorities for review; and

61 (2) must require the agency receiving money to

1 complete the environmental review in less time than is customary
2 for the completion of environmental review by that agency.

3 (c) The department may enter into a separate agreement for
4 a transportation project that the department determines has
5 regional importance.

6 (d) An agreement entered into under this section does not
7 diminish or modify the rights of the public regarding review and
8 comment on transportation projects.

9 (e) An entity entering into an agreement under this
10 section shall make the agreement available on the entity's
11 Internet website.

12
13 SECTION 1.39 . (a) Chapter 222, Transportation Code, is
14 amended by adding Subchapter F to read as follows:

15 SUBCHAPTER F. ROAD USER FEE PILOT PROGRAM

16 Sec. 222.151. DEFINITIONS. In this subchapter:

17 (1) "Diesel fuel" has the meaning assigned by Section
18 162.001, Tax Code.

19 (2) "Gasoline" has the meaning assigned by Section
20 162.001, Tax Code.

21 (3) "Program" means a road user fee pilot program
22 established under this subchapter.

23 Sec. 222.152. PROGRAM ESTABLISHED. (a) Except as
24 provided by Subsection (b), the department by rule shall
25 establish a pilot program in at least one county that is part of
26 a regional mobility authority established or operating under
27 Chapter 370 to study the feasibility of assessing a road user
28 fee that is based on the number of miles traveled in this state
29 by a motor vehicle.

30 (b) The department may not establish the program in a
31 county without the approval of the commissioners court of that
32 county.

33 Sec. 222.153. AMOUNT OF ROAD USER FEE. (a) The
34 department by rule shall set the amount of the road user fee on
35 a per mile basis.

36 (b) In prescribing the amount of the fee, the department
37 shall determine the average amount of taxes imposed under
38 Chapter 162, Tax Code, per mile on gasoline or diesel fuel used
39 to propel an average motor vehicle over the public roadways of
40 this state.

41 (c) The department shall set the fee in an amount equal to
42 the amount determined under Subsection (b).

43 (d) The department shall allow a person who participates
44 in the program a credit against the fee imposed for use of a
45 motor vehicle equal to the amount of any taxes paid under
46 Chapter 162, Tax Code, for gasoline or diesel fuel used in the
47 vehicle during the period on which the amount of the fee paid is
48 based.

49 Sec. 222.154. DEPOSIT OF NET REVENUE. The department
50 shall deposit the net revenue from the fee imposed under this
51 subchapter to the credit of the state highway fund.

52 Sec. 222.155. ELIGIBILITY. In establishing the pilot
53 program, the department shall consult with the regional mobility
54 authority of which the county is a part to develop criteria for
55 voluntary program participation. The criteria must include
56 requirements that a person must:

57 (1) reside in a county that is participating in the
58 program;

59 (2) possess a valid driver's license issued to that
60 person by this state;

61 (3) own a motor vehicle that is registered in this

1 state; and

2 (4) agree to rules adopted by the department.

3 Sec. 222.156. CONTRACTS. The department may contract with
4 the regional mobility authority of which the county is a part or
5 the Texas Transportation Institute, or both, to implement or
6 administer all or any part of the program.

7 Sec. 222.157. PROMOTION OF PROGRAM. Notwithstanding
8 Chapter 2113, Government Code, the department or an entity with
9 which the department contracts under Section 222.156 may promote
10 the program by appropriate means, including advertising or
11 marketing as the department or the entity determines
12 appropriate.

13 Sec. 222.158. REPORT. Not later than January 31, 2012,
14 the department shall submit to the legislature a report that
15 includes recommendations regarding:

16 (1) the feasibility of assessing a road user fee that
17 is based on the number of miles traveled in this state by a
18 motor vehicle; and

19 (2) legislation to implement a road user fee in this
20 state.

21 Sec. 222.159. EXPIRATION. This subchapter expires
22 September 1, 2013.

23 (b) Not later than December 31, 2010, the Texas Department
24 of Transportation shall establish a pilot program as required by
25 Section 222.152, Transportation Code, as added by this section.

26
27 SECTION 1.40 . Subchapter Z, Chapter 311, Transportation
28 Code, is amended by adding Section 311.905 to read as follows:

29 Sec. 311.905. NOTICE OF TRANSPORTATION USER'S FEE BY
30 MUNICIPALITY. (a) A municipality that imposes a fee on the
31 user of a benefited property equal to the prorated annual cost
32 of the transportation system owned by the municipality that can
33 reasonably be attributed to the benefited property must provide
34 notice to the user of the fee.

35 (b) The notice to the user required under Subsection (a)
36 is adequate if the fee amount is stated on monthly billing
37 statements to the user for metered utility service provided by
38 the municipality to the user.

39
40
41 SECTION 1.41 . The Texas Department of Transportation shall
42 determine the cost of up-grading the existing railroad tracks
43 between Brownsville and Starr County for use as freight and
44 passenger rail lines.

45
46 SECTION 1.42. Section 1.15 of this Article adding Section
47 223.0411, Transportation Code, takes effect immediately if this
48 Act receives a vote of two-thirds of all the members elected to
49 each house, as provided by Section 39, Article III, Texas
50 Constitution. If this Act does not receive the vote necessary
51 for immediate effect, Section 1.15 of this Article takes effect
52 September 1, 2009.

15-1 ~~SECTION 1.36. (a) The term of the members of the Texas~~
15-2 ~~Transportation Commission serving on January 31, 2010, expire~~
15-3 ~~February 1, 2011.~~
15-4 ~~(b) Not later than January 31, 2011, the governor shall~~
15-5 ~~appoint the members of the Texas Transportation Commission in~~
15-6 ~~accordance with Section 201.051(a), Transportation Code, as~~
15-7 ~~amended by Section 1.35, beginning February 1, 2011.~~

15-8 ARTICLE 2. TRANSPORTATION PLANNING

15-9 SECTION 2.01. Section 201.001(a), Transportation Code, is
15-10 amended by adding Subdivision (4) to read as follows:

15-11 (4) "Metropolitan planning organization" has the
15-12 meaning assigned by Section 472.031, Transportation Code.

15-13 SECTION 2.02. Section 201.601, Transportation Code, is
15-14 amended to read as follows:

15-15 Sec. 201.601. STATEWIDE TRANSPORTATION PLAN. (a) The
15-16 department shall develop a statewide transportation plan covering a
15-17 period of not less than 25 years that contains all modes of
15-18 transportation, including:

- 15-19 (1) highways and turnpikes;
- 15-20 (2) aviation;
- 15-21 (3) mass transportation;
- 15-22 (4) railroads and high-speed railroads; and
- 15-23 (5) water traffic.

*including reducing
congestion throughout
the state*

15-24 (a-1) The plan must:

15-25 (1) contain specific, long-term transportation goals
15-26 for the state and measurable targets for each goal;

15-27 (2) identify priority corridors, projects, or areas of
15-28 the state that are of particular concern to the department in
15-29 meeting the goals established under Subdivision (1); and

15-30 (3) contain a participation plan for obtaining input
15-31 on the goals and priorities identified under this subsection from:

- 15-32 (A) other state agencies;
- 15-33 (B) political subdivisions;
- 15-34 (C) planning organizations as defined in Section
15-35 201.981(2); and
- 15-36 (D) members of the general public.

15-37 (b) ~~[In developing the plan, the department shall seek~~
15-38 ~~opinions and assistance from other state agencies and political~~
15-39 ~~subdivisions that have responsibility for the modes of~~
15-40 ~~transportation listed by Subsection (a).] As appropriate, the~~
15-41 ~~department and one or more of the entities listed in Subsection~~
15-42 ~~(a-1)(3) [such an agency or political subdivision] shall enter into~~
15-43 ~~a memorandum of understanding relating to the planning of~~
15-44 ~~transportation services.~~

15-45 (c) The plan must include a component that is not
15-46 financially constrained and identifies transportation improvements
15-47 designed to relieve congestion. In developing this component of
15-48 the plan, the department shall seek opinions and assistance from
15-49 officials who have local responsibility for modes of transportation
15-50 listed in Subsection (a).

15-51 (d) If there is a conflict between obligations and
15-52 requirements imposed in federal law governing the transportation
15-53 planning, project development, and programming process for the
15-54 department and planning organizations as defined in Section
15-55 201.981(2), and those imposed in this title, federal law controls
15-56 and the commission may take any action that is necessary in its
15-57 reasonable judgment to comply with any federal law to enable this
15-58 state to receive federal aid funds.

15-59 (e) The department shall update the plan every five years or
15-60 more frequently as necessary. [The plan shall include a component,
15-61 published annually, that describes the evaluation of
15-62 transportation improvements based on performance measures, such as
15-63 indices measuring delay reductions or travel time improvements.
15-64 The department shall consider the performance measures in selecting
15-65 transportation improvements.]

15-66 SECTION 2.03. Subchapter H, Chapter 201, Transportation
15-67 Code, is amended by adding Sections 201.6012, 201.6015, 201.621,
15-68 201.622, and 201.623 to read as follows:

15-69 Sec. 201.6012. INTEGRATION OF PLANS AND POLICY EFFORTS. In

The long-range plan must:

- (1) address at least a 20 year period;
- (2) include both long-range and short-range strategies;
- (3) comply with all other state and federal requirements.

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16-1 developing each of its transportation plans and policy efforts, the
16-2 department must clearly reference the 25-year plan developed under
16-3 Section 201.601 and specify how the plan or policy effort supports
16-4 or otherwise relates to the specific goals contained in that plan.

16-5 Sec. 201.6015. DELEGATION OF DUTIES OR POWERS TO
16-6 METROPOLITAN PLANNING ORGANIZATION. A metropolitan planning
16-7 organization may agree to accept additional responsibilities
16-8 delegated by the commission concerning transportation planning and
16-9 project selection.

16-10 Sec. 201.621. METROPOLITAN TRANSPORTATION PLAN. (a) A
16-11 metropolitan planning organization shall prepare and periodically
16-12 update a long-range transportation plan for its service area as
16-13 required by federal law.

16-14 (b) The first 10 years of the long-range plan must be
16-15 identical to the plan developed under Section 201.983.

16-16 (c) Before approving a long-range transportation plan, a
16-17 metropolitan planning organization shall provide to residents in
16-18 its boundaries, affected public agencies, and other interested
16-19 parties a reasonable opportunity to comment on the long-range
16-20 transportation plan.

16-21 (d) A metropolitan planning organization shall make each of
16-22 its long-range transportation plans readily available for public
16-23 review and shall deliver each plan to the commission at the times
16-24 and in the manner and format established by the commission. The
16-25 format of the plan must be in plain English and easily reviewable
16-26 and understandable. The metropolitan planning organization shall
16-27 update the plan every year or more frequently as necessary.

16-28 Sec. 201.622. COOPERATION WITH METROPOLITAN PLANNING
16-29 ORGANIZATIONS TO DEVELOP LONG-TERM PLANNING ASSUMPTIONS. The
16-30 department and metropolitan planning organizations shall cooperate
16-31 to develop mutually acceptable assumptions for the purposes of
16-32 long-range federal and state funding forecasts that are consistent
16-33 with the criteria established by the commission under Section
16-34 201.987 and use those criteria to guide long-range planning.

16-35 Sec. 201.623. RECOMMENDATIONS FROM RURAL PLANNING
16-36 ORGANIZATION. A rural planning organization may make
16-37 recommendations to the commission concerning the selection of
16-38 transportation projects, systems, or programs to be undertaken in
16-39 the boundaries of the rural planning organization.

16-40
16-41 transferred by Chapter 281 (H.B. 2702), Acts of the 79th General
16-42 Legislature, Regular Session, 2005, is amended to read as follows:

16-43 (a) If authorized by an applicable regulatory authority, to
16-44 mitigate an adverse environmental impact that is a direct result of
16-45 the construction, improvement, or maintenance of a state highway or
16-46 the construction, improvement, or maintenance of a facility used in
16-47 connection with the construction, maintenance, or operation of a
16-48 state highway improvement project, the department may:

16-49 (1) pay a fee to an appropriate public agency or
16-50 private entity in lieu of acquiring or agreeing to manage property;

16-51 (2) transfer any interest in real property to an
16-52 appropriate public agency or private entity, as authorized by the
16-53 regulatory authority that requires the mitigation, with or without
16-54 monetary consideration if the property is used or is proposed to be
16-55 used for mitigation purposes.

16-56 (3) contract with any public or private entity for the
16-57 management of property owned by the department and used for
16-58 mitigation purposes.

16-59 SECTION 2.05 Subchapter I, Chapter 201, Transportation
16-60 Code, is amended by adding Sections 201.711 and 201.712 to read as
16-61 follows:

16-62 Sec. 201.711. ELIGIBILITY FOR STATE ALLOCATION OF FUNDING;
16-63 BOARD MEMBERSHIP. (a) To be eligible to receive funds from this
16-64 state for transportation projects under Section 201.988, not more
16-65 than 5 percent of the voting members of the policy board of a
16-66 metropolitan planning organization must be elected officials who
16-67 are elected in the boundaries of the metropolitan planning
16-68 organization.

16-69 (b) A metropolitan planning organization that does not

17-1 eligible under Subsection (a) may redesignate the board in
 17-2 compliance with the redesignation procedures in 23 U.S.C. Section
 17-3 134 to become eligible to receive an allocation of funds under
 17-4 Section 201.988.
 17-5 (c) In this section, "elected official" means the presiding
 17-6 officer or a member of the governing body of a municipality, a
 17-7 county judge, a county commissioner, a state representative, or a
 17-8 state senator.
 17-9 Sec. 201.712. FUNDS FOR RURAL PLANNING ORGANIZATION. The
 17-10 department may use money in the state highway fund to fund the
 17-11 organization.

17-12 SECTION 2,635. (a) Subchapter J, Chapter 201,
 17-13 Transportation Code, is amended by adding Sections 201.8005,
 17-14 201.807, 201.808, 201.809, 201.810, and 201.811 to read as follows:

17-15 Sec. 201.8005. DEFINITION. In this subchapter,
 17-16 "transportation project" has the meaning assigned by Section
 17-17 201.981.

17-18 ~~TRANSPORTATION AND PERFORMANCE~~
 17-19 Sec. 201.807. ~~PROJECT INFORMATION REPORTING SYSTEM.~~ (a)
 17-20 The department shall establish a project information reporting
 17-21 system that makes available in a central location on the
 17-22 department's Internet website information regarding all of the
 17-23 department's transportation projects contained in the unified
 17-24 ~~transportation~~ program required by Section 201.982 or under
 17-25 construction. The information must be easily accessible,
 17-26 understandable, and searchable. The project information reporting
 17-27 system must contain:

17-28 (1) information about each of the department's
 17-29 transportation projects included in the ~~project development~~
 17-30 program, including: unified transportation

- 17-31 (A) the status of the project;
- 17-32 (B) each source of funding for the project;
- 17-33 (C) benchmarks for evaluating the progress of the
 17-34 project;
- 17-35 (D) timelines for completing the project;
- 17-36 (E) a list of the department employees
 17-37 responsible for the project, including information as to how each
 17-38 person on that list may be contacted; and
- 17-39 (F) the results of the annual review required by
 17-40 Subsection (d);

17-41 (2) a representational color-coded map showing the
 17-42 location of the transportation projects and containing the
 17-43 information described by Subdivision (1);

17-44 (3) each construction work zone for a transportation
 17-45 project under construction that has a total construction timeline
 17-46 that exceeds six months or the cost of which exceeds \$5 million,
 17-47 including information about:

- 17-48 (A) the number of lanes that will remain open
 17-49 during the project's construction phase;
- 17-50 (B) the location and duration of each lane
 17-51 closure; and
- 17-52 (C) the expected traffic delay resulting from
 17-53 each lane closure;

17-54 (4) road maintenance transportation projects that are
 17-55 planned or under construction, including the condition of each road
 17-56 before the road maintenance transportation project; and

17-57 (5) each fund source for the department's funds and all
 17-58 expenditures made by the department, for each of the department's
 17-59 transportation projects, reported by:

- 17-60 (A) department district;
- 17-61 (B) program funding category as required by
 17-62 Section 201.982(b)(2); and
- 17-63 (C) type of revenue, including revenue from a
 17-64 comprehensive development agreement or a toll project.

17-65 (b) In developing the transportation project and performance reporting system,
 17-66 the department shall collaborate with:

- 17-67 (1) the Transportation Legislative Oversight
 17-68 Committee;
- 17-69 (2) local transportation entities as defined by
 17-70 Section 201.981; and

transportation project and performance reporting system

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18-1 (3) members of the general public.
18-2 (c) The department shall make the statistical information
18-3 provided under this section available on the department's Internet
18-4 website in more than one downloadable electronic format.

18-5 (d) As a component of the ~~project information reporting~~
18-6 ~~system~~ required by this section, the department shall conduct an
18-7 annual review of the benchmarks and timelines of each
18-8 transportation project included in the department's project
18-9 development program, to determine the completion rates of the
18-10 projects and whether the projects were completed on time.

18-11 (e) The department shall update the information contained
18-12 in the ~~project information reporting system~~ at least quarterly and
18-13 the representational map at least annually.

18-14 Sec. 201.808. TRANSPORTATION PROJECT AND PERFORMANCE
18-15 REPORTS. (a) The department shall develop a process to identify
18-16 and distinguish between the transportation projects that are
18-17 required to maintain the state infrastructure and the
18-18 transportation projects that would improve the state
18-19 infrastructure in a manner consistent with the statewide
18-20 transportation plan required by Section 201.601.

~~18-21 and performance reporting system that shall be maintained in a central
18-22 location. The department shall make the information easily accessible and
18-23 searchable. The information shall include the priority classifications
18-24 established under Section 201.986 and the assignment of the~~

18-27 (b) The department shall include in the transportation
18-28 project and performance reporting system:

18-29 (1) a list of the most significant transportation
18-30 problems in each department district as described by the statewide
18-31 transportation plan developed under Section 201.601, including the
18-32 component required by Section 201.601(c);

18-33 (2) reports prepared by the department or an
18-34 institution of higher education that evaluate the effectiveness of
18-35 the department's expenditures on transportation projects to
18-36 achieve the transportation goals;

18-37 (3) information about the condition of the pavement
18-38 for each segment of the state highway system, including:

18-39 (A) the international roughness index issued by
18-40 the United States Department of Transportation Federal Highway
18-41 Administration; and

18-42 (B) the percentage of pavement that the
18-43 department determines to be in good or better condition;

18-44 (4) the condition of bridges, including information
18-45 about:

18-46 (A) the number of on-system and off-system
18-47 bridges that are structurally deficient or functionally obsolete;
18-48 and

18-49 (B) the percentage of bridges that the department
18-50 determines to be in good or better condition;

18-51 (5) information about traffic congestion and traffic
18-52 delays, including:

18-53 (A) the locations of the worst metropolitan
18-54 traffic delays;

18-55 (B) the variable travel time for major freeways
18-56 and highways in the metropolitan areas of this state; and

18-57 (C) the effect of traffic congestion on motor
18-58 vehicle travel and motor carriers; and

18-59 (6) information about the number of traffic accidents,
18-60 injuries, and fatalities, including the geographic locations in
18-61 each department district for the highest number of traffic
18-62 accidents, injuries, or fatalities.

18-63 (c) The department shall provide the information made
18-64 available under Subsection (b) in a format that allows a person to
18-65 conduct electronic searches for information about a specific
18-66 county, a highway under the jurisdiction of the department, or a
18-67 type of road.

18-68 (d) Each department district shall enter information into
18-69 the transportation project and performance reporting system,

19-1 including information about
 19-2 each district transportation project
 19-3 [REDACTED]
 19-4 [REDACTED]
 19-5 (e) The account information reporting
 19-6 system
 19-7 [REDACTED]
 19-8 [REDACTED]

14 [REDACTED]

15 established under Section 201.810 must include:

16 (1) information relating to each source of the
 17 department's funds, including the identification of revenue from
 18 each comprehensive development agreement or toll project; and

19 (2) information relating to all expenditures of the
 20 department by type of expenditure, as described in the
 21 comptroller's statewide accounting system, and reported for all
 22 applicable organizational groups and categories, including:

- 23 (A) the entire department;
- 24 (B) each department division;
- 25 (C) each department district; and
- 26 (D) each program funding category for project
 27 expenses.

including information about:

(1) each district transportation project; and
(2) the priority classification for each the project
has been assigned according to Section 201.806.

(f) The transportation project and performance reporting
system must allow persons to compare information produced by that
system to information produced by the project information reporting
system under Section 201.807.

(g) The department shall make available in a central
location on the department's Internet website information
regarding each fund source for the department's funds and all
expenditures made by the department, reported by:

(1) department district;
(2) program funding category; and
(3) type of revenue, including revenue from a

Sec. 201.809. STATEWIDE TRANSPORTATION REPORT. (a) The
department annually shall evaluate and publish a report about the
status of each transportation goal for this state. The report must
include:

(1) information about the progress of each long-term
transportation goal that is identified by the statewide
transportation plan;

(2) the status of each project

(3) a summary of the number of statewide project
implementation benchmarks that have been completed; and

(4) information about the accuracy of previous
department financial forecasts.

(b) The department shall disaggregate the project
information in the report by department district.

(c) The department shall make available a copy of the
reports for department districts in a legislative district to each
member of the legislature, and at the request of a member, a senior
management employee shall meet with the member to explain the
report.

(d) The department shall provide a copy of each district
report to the political subdivisions located in the department
district that is the subject of the report, including:

(1) a municipality;

(2) a county; and

(3) a local transportation entity as defined by
Section 201.981.

(e) The department shall provide a copy of the complete
report to the lieutenant governor, the speaker of the house of
representatives, and the chair of the standing committee of each
house of the legislature with primary jurisdiction over
transportation issues.

Sec. 201.810. SEPARATE SUBACCOUNT REPORTING. (a) The
department shall develop an account information reporting system
that makes available on the department's Internet website for
viewing and downloading by interested persons the tracking of each
separate subaccount in the state highway fund required by law,
including Chapter 228. The account information must include:

(1) the source and amount of the deposited funds and
the date of deposit;

(2) identification by location and highway
designation of the projects or systems to which the funds are
allocated; and

(3) the amount, general type or purpose, and date of
expenditures from the account.

(b) The department shall update the account information
reporting system at least quarterly.

Sec. 201.811. DEPARTMENT INFORMATION CONSOLIDATION. (a)
To the extent practicable and to avoid duplication of reporting
requirements, the department may combine the reports required under
this subchapter with reports required under other provisions of
this code.

(b) The department shall develop a central location on the

(H) a county, including a county operating under Chapter 284.

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department's Internet website that provides easily accessible and searchable information to the public contained in the reports required under this subchapter and other provisions of this code.

(b) Not later than September 1, 2009, the Texas Department of Transportation shall establish the central location on the department's Internet website required by Section 201.807, and ~~201.808~~, Transportation Code, as added by this section.

SECTION 2.04. Chapter 201, Transportation Code, is amended by adding Subchapter P to read as follows: ~~UNIFIED TRANSPORTATION~~

SUBCHAPTER P. ~~TRANSPORTATION~~ PROGRAM

Sec. 201.981. DEFINITIONS. In this subchapter:

(1) "Local transportation entity" means an entity that participates in the transportation planning process. The term includes:

- (A) a metropolitan planning organization;
- (B) a rural planning organization;
- (C) a regional tollway authority organized under

Chapter 366;

(D) a regional transportation authority operating under Chapter 452;

(E) a rural transit district as defined by Section 458.001;

(F) a coordinated county transportation authority operating under Chapter 460; ~~and~~

(G) a regional mobility authority operating under Chapter 370. ~~and~~

(2) "Planning organization" means:

- (A) a metropolitan planning organization;
- (B) a rural planning organization; or
- (C) for an area that is not in the boundaries of a

metropolitan planning organization or a rural planning organization, the department district.

(3) "Transportation project" means the planning, right-of-way acquisition, expansion, improvement, addition, or contract maintenance, other than the routine or contracted routine maintenance, of:

- (A) a bridge;
- (B) a highway;
- (C) a toll road or toll road system;
- (D) a railroad;
- (E) an enhancement of a roadway that increases the safety of the traveling public;
- (F) an air quality improvement initiative; or
- (G) a transportation enhancement activity under

23 U.S.C. Section 133. ~~UNIFIED TRANSPORTATION~~

The department shall develop a project development program that covers a period of 10 years to guide the development of and authorize construction of transportation projects. The program must:

(1) estimate funding levels for each year; and

(2) list all projects and programs that the department intends to develop or begin construction of during the program period.

(b) The commission rule shall:

(1) specify the criteria for selecting projects to be included in the program as provided in Section 201.987;

(2) define program funding categories, including categories for safety, bridge, maintenance, and mobility; and

(3) define each phase of a major transportation project, including the planning, design, and construction phases.

(c) The department shall publish the entire project development program and summary documents highlighting project benchmarks, priorities, and forecasts in appropriate media and on the department's Internet website.

(d) In developing the rules required by this section, the commission shall cooperate with local transportation entities.

Sec. 201.9825. ANNUAL UPDATE TO PROJECT DEVELOPMENT PROGRAM. The department shall annually update the project development program.

1 (C) for an area that is not in the boundary of a
2 metropolitan planning organization, the department district that
3 serves the area.

4 (2) "Project cost" means the total cost of a
5 transportation project including all costs associated with:

- 6 (A) planning;
- 7 (B) design;
- 8 (C) environmental assessment;
- 9 (D) right-of-way acquisition;
- 10 (E) construction;
- 11 (F) operations;
- 12 (G) maintenance;
- 13 (H) overruns; and
- 14 (I) change orders.

15 "Region" means the area for which a planning
16 organization develops plans and receives funds under this
17 subchapter.

18 (4) "Rural planning organization" means a planning

19 ~~organization as defined in Section 201.652.~~

20 (A) "Transportation official" means an official in a
21 state agency or political subdivision who has responsibility for
22 any of the following modes of transportation:

- 23 (A) aviation;
- 24 (B) high-speed rail;
- 25 (C) highways;
- 26 (D) toll roads;
- 27 (E) mass transportation;

1 (F) railroads; and

2 (G) water traffic.

3 (b) Transportation project means:

4 (A) the planning of, right-of-way acquisition
5 for, expansion of, improvement of, addition to, routine maintenance
6 of, connected routine maintenance of, or contract maintenance of

7 a:

8 (i) bridge;

9 (ii) highway;

10 (iii) toll road or toll road system; or

11 (iv) railroad;

12 (B) a project that enhances the safety of a
13 roadway to the traveling public;

14 (C) an air quality improvement initiative;

15 (D) a transportation enhancement activity under
16 23 U.S.C. Section 133; or

17 (E) mass transportation.

18 Sec. 201.652. PURPOSE. It is in the interest of this state
19 to:

20 (1) encourage and promote the safe and efficient
21 management, operation, and development of surface transportation
22 systems that will serve the mobility needs of people and freight and
23 foster economic growth and development in rural and organized areas
24 of this state, while minimizing transportation-related fuel
25 consumption and air pollution through metropolitan, rural, and
26 statewide transportation planning processes identified in this

20-1 department's Internet website that provides easily accessible and
20-2 searchable information to the public contained in the reports
20-3 required under this subchapter and other provisions of this code.
20-4 (b) Not later than September 1, 2009, the Texas Department
20-5 of Transportation shall establish the central location of the
20-6 department's Internet website required by Sections 201.807 and
20-7 201.808, Transportation Code, as added by this section.
20-8 SECTION 2.07. Chapter 201, Transportation Code, is amended
20-9 by adding Subchapter P to read as follows: ~~PROJECT DEVELOPMENT PROGRAM~~ UNIFIED TRANSPORTATION
20-10 ~~CHAPTER P. PROJECT DEVELOPMENT PROGRAM~~
20-11 Sec. 201.981. DEFINITIONS. In this subchapter:
20-12 (1) "Local transportation entity" means an entity that
20-13 participates in the transportation planning process. The term
20-14 includes:
20-15 (A) a metropolitan planning organization;
20-16 (B) a rural planning organization;
20-17 (C) a regional tollway authority organized under
20-18 Chapter 366;
20-19 (D) a regional transportation authority
20-20 operating under Chapter 458;
20-21 (E) a rural transit district as defined by
20-22 Section 458.001;
20-23 (F) a coordinated county transportation
20-24 authority operating under Chapter 460; and
20-25 (G) a regional mobility authority operating
20-26 under Chapter 370.
20-27 (2) "Planning organization" means:
20-28 (A) a metropolitan planning organization;
20-29 (B) a rural planning organization; or
20-30 (C) for an area that is not in the boundaries of a
20-31 metropolitan planning organization or a rural planning
20-32 organization, the department district.
20-33 (3) "Transportation project" means the planning
20-34 right-of-way acquisition, expansion, improvement, addition, or
20-35 contract maintenance, other than the routine or contracted routine
20-36 maintenance, of:
20-37 (A) a bridge;
20-38 (B) a highway;
20-39 (C) a toll road or toll road system;
20-40 (D) a railroad;
20-41 (E) an enhancement of a roadway that increases
20-42 the safety of the traveling public;
20-43 (F) an air quality improvement initiative; or
20-44 (G) a transportation enhancement project.
20-45 ~~SECTION 2.08. Section 201.981. UNIFIED TRANSPORTATION Unified transportation~~
20-46 Sec. 201.982. ~~PROJECT DEVELOPMENT~~ PROGRAM. (a) The
20-47 department shall develop a ~~project development~~ program that covers
20-48 a period of 10 years to guide the development of and authorize
20-49 construction of transportation projects. The program must:
20-50 (1) estimate funding levels for each year; and
20-51 (2) list all projects and programs that the department
20-52 intends to develop or begin construction of during the program
20-53 period.
20-54 (b) The commission by rule shall:
20-55 (1) specify the criteria for selecting projects to be
20-56 included in the program as provided in Section 201.987;
20-57 (2) define program funding categories, including
20-58 categories for safety, bridge, maintenance, and mobility; and
20-59 (3) define each phase of a major transportation
20-60 project, including the planning, design, and construction phases.
20-61 (c) The department shall publish the entire unified
20-62 transportation program and summary documents highlighting project
20-63 benchmarks, priorities, and forecasts in appropriate media and on
20-64 the department's Internet website.
20-65 (d) In developing the rules required by this section, the
20-66 commission shall cooperate with local transportation entities.
20-67 Sec. 201.9825. ANNUAL UPDATE TO ~~PROJECT DEVELOPMENT~~
20-68 PROGRAM. (a) The department shall annually update the ~~project~~
20-69 development program.

Unified transportation

UNIFIED TRANSPORTATION

21-1 (b) The annual update must include:
 21-2 (1) the annual funding forecast required by Section
 21-3 201.984;
 21-4 (2) the list of major transportation projects required
 21-5 by Section 201.985(b); and
 21-6 (3) the projects included in each program priority
 21-7 classification established by the commission.

21-8 (b) The department shall collaborate with local
 21-9 transportation entities to develop the annual update to the project
 21-10 development program.

21-11 Sec. 201.983. PLANNING ORGANIZATION 10-YEAR PLAN. (a)
 21-12 Each planning organization shall develop a 10-year transportation
 21-13 plan that is consistent with the criteria and definitions adopted
 21-14 by the commission under Section 201.982.

21-15 (b) The first four years of the plan shall be developed so as
 21-16 to comply with the transportation improvement plan requirements of
 21-17 federal law.

21-18 (c) In developing the statewide transportation improvement
 21-19 plan in accordance with federal law, the department shall:

21-20 (1) compile the metropolitan planning organizations'
 21-21 project selections; and

21-22 (2) collaborate with the rural planning
 21-23 organizations.

21-24 (d) The department shall develop the statewide
 21-25 transportation improvement plan in accordance with federal law.

21-26 Sec. 201.9835. PROJECT PRIORITIZATION BY PLANNING
 21-27 ORGANIZATIONS. (a) Each metropolitan planning organization shall,
 21-28 for the area in its boundaries, develop a prioritized list of
 21-29 transportation projects that is consistent with the criteria
 21-30 established by the commission under Section 201.987. Projects that
 21-31 are not considered by the department and the planning organization
 21-32 to be of an appropriate scale for individual identification in a
 21-33 given program year may be grouped by function, geographic area, or
 21-34 work type.

21-35 (b) The department shall, with input from a rural planning
 21-36 organization, develop a prioritized list of transportation
 21-37 projects for the area in that rural planning organization's
 21-38 boundaries and submit the projects to the commission for final
 21-39 approval.

21-40 (c) For an area not located in the boundaries of a planning
 21-41 organization, the applicable department district shall:

21-42 (1) develop a prioritized list of transportation
 21-43 projects with input from municipal and county officials and
 21-44 officials of local transportation entities; and

21-45 (2) submit the transportation projects to the
 21-46 commission for final approval.

21-47 Sec. 201.984. ANNUAL FUNDING FORECAST. (a) The department
 21-48 annually shall:

21-49 (1) develop and publish a forecast of all funds that the
 21-50 department expects to receive, including funds from the state and
 21-51 the federal government; and

21-52 (2) use that forecast to guide planning for the
 21-53 project development program.

21-54 (b) The department shall collaborate with local
 21-55 transportation entities to develop scenarios for the forecast
 21-56 required by Subsection (a) based on mutually acceptable funding
 21-57 assumptions.

21-58 (c) Not later than August 31 of each odd-numbered year, the
 21-59 department shall prepare and publish a cash flow forecast for the
 21-60 10-year period that begins on September 1 of that odd-numbered
 21-61 year.

21-62 (d) The department shall update the forecast more
 21-63 frequently as needed if significant changes in the department's
 21-64 funding occur.

21-65 Sec. 201.985. DESIGNATION AND INFORMATION ON CONSTRUCTION
 21-66 OF MAJOR TRANSPORTATION PROJECTS. (a) The commission shall:

21-67 (1) establish criteria for designating

4 (f) The department may use money in the state highway fund
5 to fund the operations of a rural planning organization, subject to
6 Section 201.672(c).

7 (g) A rural planning organization shall develop
8 transportation plans and programs for its service area
9 in accordance with this subchapter.

10 (h) A rural planning organization may provide to the
11 commission recommendations concerning the selection
12 of transportation projects, systems, or programs to be undertaken
13 within the boundaries of the rural planning organization.

14 (i) In this section, "elected official" means the president,
15 chief officer or a member of the governing body of a municipality,
16 county judge, a county commissioner, a state representative, or
17 state senator.

18 (j) If the rural planning organization does not provide
19 recommendations under Subsection (h), the department shall select
20 representatives from the rural planning organization, municipal and county
21 officials, and transportation officials to determine
22 transportation projects, systems, or programs to be undertaken

23 within the boundaries of the rural planning organization.

24 Sec. 201.934. CASH FLOW FORECAST. (a) On September 1 of
25 each odd-numbered year, the department's chief financial officer
26 shall issue a cash flow forecast for each method and category of
27 funding that covers a period of not less than the 10 years following
28 the date the forecast is issued.

29 (b) The forecast must identify all sources of funding

In this subchapter, unless the context clearly indicates otherwise, "funds" or "funding" means the estimates of federal and state money reasonably expected to be available for expenditure on transportation projects during the relevant period.

1 available for transportation projects, including bond proceeds.

2 (c) The first two years of the forecast must be based on the
3 appropriation of funds in the General Appropriations Act for the
4 department for that biennium.

ESTIMATED

5 Sec. 201.984. ALLOCATION AND DEPOSIT OF FUNDING. (a) The
6 commission shall use the cash flow forecast under Section 201.154
7 to allocate funding to the planning organizations in accordance
8 with Section 201.988.

9 (b) ~~...~~
10 ~~...~~
11 ~~...~~
12 ~~...~~

14 A planning organization shall develop a 10-year transportation
15 plan for the use of the funding allocated to the region.

16 (b) The first four years of the plan shall be developed to
17 meet the transportation improvement plan requirements of 23 U.S.C.
18 Section 135.

19 (c) The department shall compile the planning
20 organizations' project selections to develop the statewide
21 transportation plan in accordance with 23 U.S.C. Section 135.

22 Sec. 201.657. COORDINATION BETWEEN PLANNING ORGANIZATIONS
23 TO DEVELOP LONG-TERM PLANNING ASSUMPTIONS. Planning organizations
24 shall collaborate with one another and with the department to
25 develop mutually acceptable assumptions for the purposes of
26 to change federal and state funding

~~SEC. 201.938. PLANNING ORGANIZATION PROJECT SELECTION~~

~~3. PRIORITIZATION. (a) Each metropolitan planning organization or rural planning organization shall, for the area in its boundaries, select projects and order them in priority.~~

~~4. (b) For an area not located in the boundaries of a metropolitan planning organization or rural planning organization, the applicable departments or district shall~~

~~5. (1) select projects and order them in priority with input from municipal and county officials and transportation officials; and~~

~~6. (2) submit the projects to the commission for final approval.~~

~~7. (c) A metropolitan planning organization or rural planning organization may delegate authority to select any category of projects and order them in priority to the applicable department~~

17 Sec. 201.9842 PROCESS FOR DEVELOPING PLANS AND PROGRAMS.

18 The process for developing the plans and programs under this
19 subchapter must:

20 (1) provide for consideration of all modes of
21 transportation;

22 (2) be continuing, cooperative, and comprehensive to
23 the extent appropriate, based on the complexity of the
24 transportation problems to be addressed; and

25 (3) give consideration to statewide connectivity of
26 transportation services and infrastructure.

27 ~~SEC. 201.1513. PLANNING ORGANIZATION LONG RANGE PLAN. (a)~~

1 ~~A planning organization may also prepare and update periodically~~
2 ~~long-range transportation plan for its region.~~

3 ~~(b) The first 10 years of the long-range plan shall be~~
4 ~~identical to the plan developed under Section 201.983.~~

5 ~~(c) Before approving a long-range transportation plan, a~~
6 ~~planning organization shall provide to residents in its boundaries,~~
7 ~~affected public agencies, and other interested parties a reasonable~~
8 ~~opportunity to comment on the long-range transportation plan.~~

9 ~~(d) A planning organization shall make each of its~~
10 ~~long-range transportation plans readily available for public~~
11 ~~review and shall deliver each plan to the commission at the times~~
12 ~~and in the manner required by the commission.~~

13 Sec. 201,984. PARTICIPATION IN PLAN DEVELOPMENT. (a) In
14 developing a plan under this subchapter, a planning organization
15 shall seek the opinions and assistance of the appropriate
16 transportation officials.

17 (b) As appropriate, the department and a metropolitan
18 planning organization may enter into a memorandum of understanding
19 relating to the planning of transportation services.

20 (c) The department shall review the plans of each planning
21 organization to ensure compliance with the requirements of 23
22 U.S.C. Section 135, and provide assistance to a planning
23 organization to correct deficiencies.

24 Sec. 201,985. PLANS TO BE FINANCIALLY CONSTRAINED. A plan
25 under this subchapter must be financially constrained and identify
26 transportation projects and projects for any other mode of
27 transportation not included in Section 201.981(5).

1 Sec. 201.9846. PLAN ADJUSTMENTS. The commission shall adopt
2 rules to allow a planning organization to move projects forward or
3 delay projects if there are additional or less funds available than
4 identified in the cash flow forecast under Section 201.984.
5 Adjustments to the plan may not be made more than semiannually,
6 unless there are substantial increases or decreases in available
7 funding.

8 Sec. 201.9847. EVALUATION COMPONENT OF PLAN. A plan under
9 this subchapter ~~shall~~ ^{must} include a component, published annually, that
10 describes the evaluation of transportation improvements based on
11 performance measures, such as indices that measure delay reductions
12 or travel time improvements. The planning organization shall
13 consider the performance measures in selecting transportation
14 improvements.

1 PROGRAM AND BUDGET. (a) The department shall use the plan of
1 organizations' project lists to create the statewide
1 transportation program and budget. The statewide transportation
1 program and budget shall include at least:
20 (1) the department's operating budget;
21 (2) the official cash flow forecast under Section
22 201.654;
23 (3) the regions' allocations of funds;
24 (4) the projects selected by the planning organization
2 under Section 201.658; and
2 (5) the work plan required by Section 201.674.

(2) develop benchmarks for evaluating the progress of a major transportation project and timelines for implementation and construction of a major transportation project; and

(3) determine which critical benchmarks must be met before a major transportation project may enter the implementation phase of the project development program.

(b) The department shall annually update the list of projects that are designated as major transportation projects.

(c) In adopting rules required by this section, the commission shall collaborate with local transportation entities.

Sec. 201.986. PROGRAM PRIORITY CLASSIFICATIONS. (a) The commission by rule shall establish classifications in the project development program to designate the priority of each project included in the program and shall assign each project a classification. The classifications must include high, medium, and low priority levels.

(b) The department shall collaborate with local transportation entities when assigning each project included in the project development program to a classification established under Subsection (a).

(c) In the selection of projects for implementation, priority shall be given to projects with the highest classification within each applicable

Sec. 201.987. PROJECT SELECTION. (a) The commission by rule shall establish criteria for selection by the department and each planning organization of projects to be included in the statewide transportation plan. The criteria must be based on the commission's transportation goals for the state and measurable targets for each goal.

(b) The department shall collaborate with planning organizations in the development of the criteria for selection of projects.

(c) The commission shall determine and approve the final selection of projects to be included in the statewide transportation plan.

(d) The commission shall consider the prioritized list of transportation projects developed by metropolitan planning organizations operating in areas that are a transportation management area, as defined by 23 U.S.C. Section 134(k), for projects funded as congestion mitigation and air quality improvement projects, and metropolitan mobility or rehabilitation projects, unless the commission determines that a particular project's inclusion on or omission from the project list conflicts with or is inconsistent with federal law or a rule adopted under Subsection (a).

Sec. 201.988. FUNDING ALLOCATION. (a) The commission by rule shall establish formulas for allocating funds in each category described by Section 201.982(b)(2).

(b) The commission shall update the formulas established under this section every five years or more frequently as needed.

Sec. 201.9882. LIMITATION ON COMMISSION ALLOCATION OF FUNDS. (a) The commission or the department may not require that a toll project be included in a regional mobility plan as a condition for the allocation of funds for the construction of projects in the region.

(b) The commission or the department may not: (1) revise the formulas provided in the department's project development program, or the sponsor document, in a manner that results in a decrease in a district's allocation because of:

(A) failure of a region to include toll projects in a regional mobility plan; or

(B) participation by a political subdivision in the funding of a transportation project in the region, including the use of money collected in a transportation reinvestment and sections 222.106 and 222.107; or

(2) take any other action that would require the

38

The department shall use the planning organizations to create a statewide transportation program. The budget must include the official cash flow forecast section 201.984; and dl 4(2); the

(((insert)))

1 (e) The department shall use the planning organizations'
2 project lists to create the statewide transportation program and
3 budget. The statewide transportation program and budget must
4 include:

5 (1) the official cash flow forecast under Section
6 201.984; and

7 (2) each region's estimated allocation of funds.

((insert))

1 Sec. 201.998. TRANSPORTATION ALLOCATION FUNDING FORMULA.

2 (a) The commission shall adopt rules that create funding
3 formulas for transportation projects. In developing the
4 formulas the commission shall consider the input of planning
5 organizations, transportation officials, and county and
6 municipal officials.

7 (b) The commission shall allocate to metropolitan planning
8 organizations operating in areas that are a transportation
9 management area, as defined by 23 U.S.C. Section 134(k), the
10 following categories of funds:

11 (1) metropolitan area corridor projects;

12 (2) metropolitan mobility and rehabilitation projects;

13 (3) congestion mitigation and air quality improvement
14 projects in non-attainment areas; and

15 (4) a percentage of transportation enhancements
16 project funding as determined by formula for projects
17 recommended by the metropolitan planning organizations under
18 rules adopted by the commission.

19 (c) The commission shall allocate to metropolitan planning
20 organizations that are not a transportation management area, as
21 defined by 23 U.S.C. Section 134(k), the following categories of
22 funds:

23 (1) urban area corridor projects; and

24 (2) a percentage of transportation enhancements
25 project funding as determined by formula for projects

1 be complete and adopted not later than June 30 of each even-numbered
2 year. The commission shall adopt rules to create a process for
3 planning organizations to amend the plan from July of each
4 even-numbered year until August 31 of the following year.
5 Amendments to the plan may only reorder projects identified in the
6 same region subject to Section 201.663.

7 Sec. 201.666. LENDING FUNDS BETWEEN PLANNING
8 ORGANIZATIONS. (a) The commission may adopt rules to allow a
9 planning organization to loan funds to another planning
10 organization at the lending organization's discretion. Funds may
11 be loaned under this section only to avoid the lapsing of federal
12 appropriations authority.

13 (b) The rules must allow the lending planning organization
14 to have a senior position with regard to any future allocated funds
15 of the borrowing planning organization.

16 (c) The lending planning organization may not charge
17 interest on funds borrowed by another planning organization that
18 exceed the current bond rate of outstanding state highway fund
19 bonds or in the absence of outstanding debt the prevailing market
20 rate for comparable municipal debt. The commission shall notify
21 all districts of that rate.

22 (d) A lending planning organization may not be penalized in
23 its performance measures if it successfully negotiates a loan with
24 another planning organization.

25 (e) The commission may be involved in the coordination of

27 Sec. 201.9331. ORGANIZATION OF STATEWIDE TRANSPORTATION

1 PROGRAM AND BUDGET. (a) The statewide transportation program and
2 budget shall be organized first by region, then by mode of
3 transportation, followed by the year of the project.

4 (b) The summary tables of the statewide transportation
5 program and budget shall summarize the statewide project cost by
6 mode and then by year and shall be made available online in
7 accordance with Section 201.807.

8 (a) The commission shall adopt rules that create funding formulas
9 for transportation projects. In developing the formulas the
10 commission shall consider the input of planning organizations,
11 transportation officials, and county and municipal officials.

12 (b) All funds received by the department for highways,
13 including toll roads and toll road systems, that may be allocated in
14 this state's or the department's discretion shall be allocated by a
15 formula to each planning organization that is based on performance
16 measures and includes at least the following criteria:

- 17 (1) centerline miles;
- 18 (2) level of congestion;
- 19 (3) percentage of population below federal poverty
20 level;
- 21 (4) population;
- 22 (5) safety; and
- 23 (6) vehicle miles traveled.

24 (c) The commission shall allocate to the planning
25 organizations funding for the project costs of all transportation
26 projects. The commission shall adopt various formulas for the
27

1 ~~different types of transportation projects, including funding for~~
2 ~~statewide connectivity projects. The commission shall adopt rules~~
3 ~~for all transportation formulas.~~

4 Sec. 201.983. USE OF ALLOCATED FUNDS. The funds allocated
5 to a planning organization under Section 201.948 may be used to:

6 (1) pay project costs, provide toll equity, or make
7 payments under a pass-through toll agreement, for transportation
8 projects selected by the planning organization; or

9 (2) pay debt service;

10 (3) ~~pay for toll projects from annual revenue;~~

11 ~~fund a planning organization's operations under~~
12 ~~Section 201.948.~~

13 Sec. 201.983. SURPLUS REVENUE AND CONTRACT PAYMENTS NOT
14 ALLOCATED BY FORMULA. (a) Revenue from Sections 228.005,
15 228.0055, and 228.006 shall be allocated in accordance with
16 Subchapter A, Chapter 228.

17 (b) Funds associated with toll projects under Chapter 228
18 are not considered revenue allocated by a formula under Section
19 201.988.

20 Sec. 201.984. ENCUMBRANCE OF ALLOCATED FUNDS. (a) The
21 allocation of funds shall be encumbered in an amount equal to the
22 engineer's estimate of the project cost and reduced by the actual
23 project cost at the time payments associated with the project are
24 paid.

25 (b) If a planning organization elects to use bond proceeds
26 to advance a project, the allocation of funds shall be encumbered by
27 the annual cost of debt service and reduced when debt service

1 payments are paid.

FUNDS FOR OPERATING COSTS OF

2 PLANNING ORGANIZATION. (a) A metropolitan planning organization
3 operating in a transportation management area as defined by 23
4 U.S.C. Section 134(k) may use the allocated funds to pay for the
5 operations costs of the planning organization.

6 The amount that may be allocated to pay for the operations costs of the
7 planning organization may not exceed the lesser of \$3 million or 10 percent of the

8 total allocated funds.
9
10 (b) A metropolitan planning organization operating in an
11 area that is not a transportation management area may use the
12 allocated funds to pay for the operations costs of the planning
13 organization.

14 The amount that may be allocated to pay for the operations costs of the
15 planning organization may not exceed the lesser of \$3 million or 10 percent of the planning organization's total
16 allocated funds.

17 (c) A rural planning organization may use the allocated
18 funds to pay for the operations costs of the planning organization.
19 The amount that may be allocated to pay for the operations of the
20 planning organization may not exceed the lesser of \$1 million or 10
21 percent of the planning organization's total allocated funds.

22 Sec. 201.673. COMMISSION ON EMERGENCY AND ECONOMIC
23 DEVELOPMENT FUNDS. (a) Notwithstanding Section 201.655(b), the
24 commission may annually set aside an amount of funds not to exceed
25 the lesser of 10 percent of the total funds allocated to all
26 districts or \$200 million for the purpose of addressing emergencies
27 or economic development opportunities that require transportation

the department shall use the prioritized lists of projects to
2 develop a proposed 10-year business work plan. The work plan shall
3 be adopted not later than August 31 of each even-numbered year and
4 include:

5 (1) a list of projects for which planning, permitting,
6 design, right-of-way acquisition, or construction work will be
7 conducted during the period;

8 (2) the state fiscal quarter in which key milestones
9 for each project will be reached, including environmental
10 clearance, completion of final engineering plans, completion of
11 right-of-way acquisition, letting to contract, and completion of
12 construction; and

13 (3) the funding allocated or estimated in each state
14 fiscal year for each category of work for each project.

15 Sec. 201.675. WORK PROGRAM. (a) Each department district
16 shall develop a consistently formatted work program based on the
17 department 10-year business work plan covering a period of four
18 years that contains all projects that the district proposes to
19 implement during that period.

20 (b) The department shall use the work program to:

21 (1) monitor the performance of the district; and

22 (2) evaluate the performance of district employees.

23 (c) The department shall publish the work program in

24 Sec. 201.9336. STATEWIDE CONNECTIVITY PLAN AND PROJECTS. (a)

25 The department shall work with planning organizations to develop a
26 statewide connectivity plan.
27

1 (b) The department by rule shall:

2 (1) establish criteria for designating a project as a
3 statewide connectivity project; and

4 (2) develop benchmarks for evaluating the progress of
5 a statewide connectivity project and timelines for implementation
6 and construction of a statewide connectivity project.

7 (c) The department annually shall update the list of
8 projects that are designated as statewide connectivity projects.

9 (d) The commission shall adopt the statewide connectivity
10 plan.

11 The department shall measure the condition of the pavement for each
12 highway under the jurisdiction of the department.

13 (b) The department shall establish a system that makes the
14 information collected under Subsection (a) available to the
15 planning organizations for use in determining transportation
16 projects.

17 Sec. 201.678. FINALIZED BIENNIAL PROJECT PLAN. In addition
18 to the plan required by Section 201.674 and other provisions of this
19 chapter, not later than August 31 of each odd-numbered year, the
20 department shall finalize a project plan for the period that begins
21 on September 1 of that year and ends on August 31 of the following
22 odd-numbered year. The plan must include:

23 (1) a project schedule with funding for each phase of
24 each project;

25 (2) a consultant acquisition plan with a schedule for
26 contract selections;

Not later than August 31 of each odd-numbered year the department shall finalize a project plan for the period that begins on September 1 of that year and ends on August 31 of the following odd-numbered year.

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23-1 ~~allocated to a department district because of the failure of a~~
23-2 ~~region to include all projects in a regional mobility plan.~~

23-3 ~~shall allocate funds to the department districts based on the~~
23-4 ~~formulas adopted under Section 201.988.~~

23-5 ~~(b) In distributing funds to department districts, the~~
23-6 ~~department may exceed the cash flow forecast prepared and~~
23-7 ~~published by the department.~~

23-8 ~~Sec. 201.989. DEPARTMENT FOUR-YEAR BUSINESS WORK PLAN. (a)~~

23-9 Each department district shall develop a consistently formatted
23-10 work plan for the following four years that is based on the project
23-11 development program and contains all projects and project
23-12 categories that the district plans to implement during that period.

23-13 (b) The work plan must contain for each project and project
23-14 category:

23-15 (1) a project schedule with funding for each phase of
23-16 development;

23-17 (2) a right-of-way acquisition plan;

23-18 (3) a letting plan; and

23-19 (4) a summary of the progress on the project and
23-20 project category.

23-21 (c) The department shall use the work plan to:

23-22 (1) monitor the performance of the district; and

23-23 (2) evaluate the performance of district employees.

23-24 (d) The department shall consolidate the districts' work
23-25 plans into a statewide work plan and publish it in appropriate media
23-26 and on the department's Internet website.

23-27 Sec. 201.9892. PERFORMANCE MEASURES FOR WORK PLAN. (a) The
23-28 department shall develop a set of performance measures for the plan
23-29 under Section 201.989 intended to measure:

23-30 (1) the execution of the work program;

23-31 (2) ~~the preservation of the system investment;~~

23-32 ~~the addition of new capacity to the system;~~
23-33 ~~safety initiatives; and~~

23-34 ~~use of minority, disadvantaged, and small~~
23-35 ~~businesses.~~

23-36 (3) ~~the percentage of projects for which environmental~~
23-37 ~~clearance is obtained on or before the planned implementation~~
23-38 ~~timelines;~~

23-39 (4) ~~the percentage of projects for which right-of-way~~
23-40 ~~acquisition is completed on or before the planned implementation~~
23-41 ~~timelines;~~

23-42 (5) ~~the total amount spent for right-of-way as a~~
23-43 ~~percentage of the original estimated amount;~~

23-44 (6) ~~the percentage of highway improvement contracts~~
23-45 ~~executed on or before the planned implementation timelines for~~
23-46 ~~letting;~~

23-47 (7) ~~for all highway improvement contracts completed~~
23-48 ~~during the state fiscal year, the percentage completed within 20~~
23-49 ~~percent of the original contract time;~~

23-50 (8) ~~for all highway improvement contracts completed~~
23-51 ~~during the state fiscal year, the percentage completed within 10~~
23-52 ~~percent of the original contract price;~~

23-53 (9) ~~for all highway improvement contracts completed~~
23-54 ~~during the state fiscal year, the percentage of the total contract~~
23-55 ~~adjustments as a percentage of the total original contract price;~~

23-56 (10) ~~of the federal funds subject to forfeiture at the~~
23-57 ~~end of the state fiscal year, the percentage that was committed by~~
23-58 ~~the department;~~

23-59 (11) ~~the amounts of cash receipts and disbursements in~~
23-60 ~~contrast with the forecasted amounts;~~

23-61 (12) ~~the amount obligated to be spent in connection~~
23-62 ~~with contracts or participation in contracts with minority,~~
23-63 ~~disadvantaged, and small business enterprises as a percentage of~~
23-64 ~~the amount spent on all contracts;~~

23-65

23-66

23-67

23-68

23-69

((insert))

(b) At a minimum, the performance measures adopted under Subsection (a) must include:

(1) the peak hour travel congestion in the eight largest metropolitan areas in contrast with previous state fiscal years;

(2) the percentage of projects for which environmental clearance is obtained on or before the planned implementation timelines;

(3) the percentage of projects for which right-of-way acquisition is completed on or before the planned implementation timelines;

(4) the percentage of parcels acquired through negotiation;

(5) the average time between selection and execution of a contract for engineering services;

(6) the total amount spent for right-of-way as a percentage of the original estimated amount;

(7) the percentage of highway improvement contracts executed on or before the planned implementation timelines for letting;

(8) the percentage of construction contracts executed on or before the planned letting date;

(9) the total amount spent for construction contracts as a percentage of the final design estimated amount;

(10) for all highway improvement contracts completed during the state fiscal year, the percentage completed within 20 percent of the original contract time;

(11) construction contract adjustments as a percentage of original contract price;

(12) for all highway improvement contracts completed during the state fiscal year, the percentage completed within 10 percent of the original contract price;

(13) for all highway improvement contracts completed during the state fiscal year, the percentage of the total contract adjustments as a percentage of the total original contract price;

(14) of the federal funds subject to forfeiture at the end of the state fiscal year, the percentage that was committed by the department;

(15) the amounts of cash receipts and disbursements in contrast with the forecasted amounts;

(((insert)))

(16) the amount obligated to be spent in connection with contracts or participation in contracts with minority, disadvantaged, and small business enterprises as a percentage of the amount spent on all contracts;

(17) the percentage of lane miles on the state highway system that have a pavement condition rating of excellent or good;

(18) the number of lane miles on the state highway system that were resurfaced in contrast with the number planned; and

(19) the number of vehicle miles traveled in contrast with previous state fiscal years.

24-1 (11) the peak hour travel congestion in the eight
24-2 largest metropolitan areas in contrast with previous state fiscal
24-3 years; and

24-4 (12) the number of vehicle miles traveled in contrast
24-5 with previous years.

24-6 (c) The department shall consult with the Transportation
24-7 Legislative Oversight Committee in developing the performance
24-8 measures under Subsection (a). This subsection expires August 31,
24-9 2013.

24-10 Sec. 201.9895. PERFORMANCE REVIEW. Not later than December
24-11 1 of each odd-numbered year, the commission shall review the
24-12 performance of the department's activities described in Section
24-13 201.989 and make the review available to the public. The review
24-14 must include a report on the level of achievement of each
24-15 performance measure listed in Section 201.9892(a), statewide and by
24-16 department district, and a status report on each major
24-17 transportation project under development.

24-18 SECTION 2.04. Transportation Code, is amended by adding Section 222.004 to read as follows:

24-19 Sec. 222.004. AUTHORIZATION TO PROVIDE ASSISTANCE TO
24-20 EXPEDITE ENVIRONMENTAL REVIEW. (a) The department, a county, a
24-21 regional tollway authority operating under Chapter 366, or a
24-22 regional mobility authority operating under Chapter 379 may enter
24-23 into an agreement to provide funds to a state or federal agency to
24-24 expedite the agency's performance of its duties related to the
24-25 environmental review process for transportation projects:

24-26 (1) of the department;
24-27 (2) listed in a metropolitan planning
24-28 organization's long-range transportation plan under 23 U.S.C.
24-29 Section 134; or

24-30 (3) of a county, regional tollway authority
24-31 operating under Chapter 366, or regional mobility authority
24-32 operating under Chapter 379.

24-33 (b) Except as provided by Subsection (c), an agreement
24-34 entered into under this section

24-35 (1) may specify transportation projects the
24-36 applicable entity considers to be priorities for review; and

24-37 (2) must require the agency receiving money to
24-38 complete the environmental review in less time than is customary
24-39 for the completion of an environmental review by that agency.

24-40 (c) The department may enter into a separate agreement for a
24-41 transportation project that the department determines has regional
24-42 importance.

24-43 (d) An agreement entered into under this section does not
24-44 diminish or modify the rights of the public regarding review and
24-45 comment on transportation projects.

24-46 (e) An entity entering into an agreement under this section
24-47 shall make the agreement available on the entity's Internet
24-48 website.

24-49 SECTION 2.05. (a) The Texas Transportation Commission
24-50 shall adopt the rules required by this article as soon as
24-51 practicable but not later than March 1, 2010.

24-52 (b) Each planning organization, as defined by Section
24-53 201.981, Transportation Code, as added by this article, shall
24-54 develop its first 10-year transportation plan in accordance with
24-55 Section 201.983, Transportation Code, as added by this article, not
24-56 later than March 1, 2011.

24-57 (c) The Texas Department of Transportation shall develop
24-58 the programs and plans required under Subchapter P, Chapter 201,
24-59 Transportation Code, as added by this article, as soon as
24-60 practicable but not later than December 1, 2010.

24-61 Code, is amended by adding Sections 472.0331 and 472.0332 to read as
24-62 follows:

24-63 Sec. 472.0331. ORGANIZATION. (a) The governor shall
24-64 designate, in accordance with 23 U.S.C. Section 134, a metropolitan
24-65 planning organization for each urbanized area of this state having
24-66 a population of more than 50,000.

24-67 (b) The policy board of a metropolitan planning
24-68 organization shall

1 aid for transportation purposes that is administered by the
2 commission shall be distributed to the various parts of the state
3 for a funding cycle through the selection of highway projects in the
4 state in a manner that is consistent with federal formulas that
5 determine the amount of federal aid for transportation purposes
6 received by the state. A distribution under this subsection does
7 not include deductions made for the state infrastructure bank or
8 other federal funds reallocated by the federal government.

9 (c) The commission shall consider emergency evacuation
10 routes from nuclear power plants for funding if federal funds
11 become available for emergency evacuation routes.

12 SECTION 2.05. Section 222.034(b), Transportation Code, is
13 amended to read as follows:

14 (b) The commission may vary from the distribution procedure
15 provided by Subsection (a) if it issues a ruling or minute order
16 identifying the variance and providing a particular justification
17 for the variance. If the commission intends to vary from the
18 distribution procedure, it must allocate the funding in accordance
19 with a formula established by the commission.

20 SECTION 2.06 Section 222.103, Transportation Code, is
21 amended by adding new Subsection (i) to read as follows:

22 (i) In providing financial assistance for toll projects,
23 the commission shall give priority to providing financial
24 assistance to public entities in the development, financing,
25 construction and operation of toll projects by the public entity
26 under Section 228.011 or Chapter 373.

27 SECTION 2.07 Section 222.105, Transportation Code, is amended to read as follows:

1 December 31 of the year in which the municipality completes
2 ~~[complies with]~~ a contractual requirement, if any, that includes
3 the pledge or assignment of all or a portion of money deposited to a
4 tax increment account or the repayment of money owed under an ~~[the]~~
5 agreement for development, redevelopment, or improvement of the
6 project for ~~[under Section 222.104 in connection with]~~ which the
7 zone was designated.

8 (k) A transportation reinvestment zone terminates on
9 December 31 of the 10th year after the year the zone was designated,
10 if before that date the municipality has not entered into a contract
11 described in Subsection (i-1) or otherwise not used the zone for the
12 purpose for which it was designated.

13 (l) Any surplus remaining in a tax increment account on
14 termination of a zone may be used for other purposes as determined
15 by ~~[transportation projects of]~~ the municipality ~~[in or outside of]~~

17 SECTION 2.07. The heading to Section 222.107,
18 Transportation Code, is amended to read as follows:

19 Sec. 222.107. COUNTY TRANSPORTATION REINVESTMENT ZONES ~~[+~~
20 ~~TAX ABATEMENTS, ROAD UTILITY DISTRICTS]~~.

21 SECTION 2.08. Section 222.107, Transportation Code, is
22 amended by amending Subsections (b), (c), (e), (f), (h), (i), (k),
23 and (l) and adding Subsections (h-1) and (k-1) to read as follows:

24 (b) This section applies only to a county in which a
25 transportation project is to be developed ~~[the commissioners court~~
26 ~~of which intends to enter into a pass-through toll agreement with~~
27 ~~the department]~~ under Section 222.104.

1 (c) The commissioners court of the county, after
2 determining that an area is unproductive and underdeveloped and
3 that action under this section would further the purposes described
4 by Section 222.105, by order or resolution may designate a
5 contiguous geographic area in the jurisdiction of the county to be a
6 transportation reinvestment zone to promote a transportation
7 project [~~described by Section 222.104 that cultivates development~~
8 ~~or redevelopment of the area~~] and for the purpose of abating ad
9 valorem taxes or granting other relief from taxes imposed by the
10 county on real property located in the zone.

11 (e) Not later than the 30th day before the date the
12 commissioners court proposes to designate an area as a
13 transportation reinvestment zone under this section, the
14 commissioners court must hold a public hearing on the creation of
15 the zone, its benefits to the county and to property in the proposed
16 zone, and the abatement of ad valorem taxes or the grant of other
17 relief from ad valorem taxes imposed by the county on real property
18 located in the zone. At the hearing an interested person may speak
19 for or against the designation of the zone, its boundaries, or the
20 abatement of or the relief from county taxes on real property in the
21 zone. Not later than the seventh day before the date of the
22 hearing, notice of the hearing and the intent to create a zone must
23 be published in a newspaper having general circulation in the
24 county.

25 (f) The order or resolution designating an area as a
26 transportation reinvestment zone must:

27 (1) describe the boundaries of the zone with

1 sufficient definiteness to identify with ordinary and reasonable
2 certainty the territory included in the zone;

3 (2) provide that the zone takes effect immediately on
4 adoption of the order or resolution; ~~and~~

5 (3) assign a name to the zone for identification, with
6 the first zone designated by a county designated as "Transportation
7 Reinvestment Zone Number One, County of (name of county)," and
8 subsequently designated zones assigned names in the same form
9 numbered consecutively in the order of their designation; and

10 (4) designate the base year for purposes of
11 establishing the tax increment base of the county.

12 (h) The commissioners court by order or resolution may enter
13 into an agreement with the owner of any real property located in the
14 transportation reinvestment zone to abate all or a portion of the ad
15 valorem taxes or to grant other relief from the taxes imposed by the
16 county on the owner's property in an amount not to exceed the amount
17 calculated under Subsection (a)(1) for that year. All abatements
18 or other relief granted by the commissioners court in a
19 transportation reinvestment zone must be equal in rate. In the
20 alternative, the commissioners court by order or resolution may
21 elect to abate a portion of the ad valorem taxes or otherwise grant
22 relief from the taxes imposed by the county on all real property
23 located in the zone. In any ad valorem tax year, the total amount
24 of the taxes abated or the total amount of relief granted under this
25 section may not exceed the amount calculated under Subsection
26 (a)(1) for that year, less any amounts allocated under previous
27 agreements, including agreements under Chapter 381, Local

1 Government Code, or Chapter 312, Tax Code.

2 (h-1) To further the development of the transportation
3 project for which the transportation reinvestment zone was
4 designated, a county may assess all or part of the cost of the
5 transportation project against property within the zone. The
6 assessment against each property in the zone may be levied and
7 payable in installments in the same manner as provided by Sections
8 372.016-372.018, Local Government Code, provided that the
9 installments do not exceed the total amount of the tax abatement or
10 other relief granted under Subsection (h). The county may elect to
11 adopt and apply the provisions of Sections 372.015-372.020 and
12 372.023, Local Government Code, to the assessment of costs and
13 Sections 372.024-372.030, Local Government Code, to the issuance of
14 bonds by the county to pay the cost of a transportation project. The
15 commissioners court of the county may contract with a public or
16 private entity to develop, redevelop, or improve a transportation
17 project in the transportation reinvestment zone, including
18 aesthetic improvements, and may pledge and assign to that entity
19 all or a specified amount of the revenue the county receives from
20 installment payments of the assessments for the payment of the
21 costs of that transportation project. After a pledge or assignment
22 is made, if the entity that received the pledge or assignment has
23 itself pledged or assigned that amount to secure bonds or other
24 obligations issued to obtain funding for the transportation
25 project, the commissioners court of the county may not rescind its
26 pledge or assignment until the bonds or other obligations secured
27 by the pledge or assignment have been paid or discharged. Any

1 amount received from installment payments of the assessments not
2 pledged or assigned in connection with the transportation project
3 may be used for other purposes associated with the transportation
4 project or in the zone.

5 (i) In the alternative, to ~~[To]~~ assist the county in
6 developing a transportation project ~~[authorized under Section~~
7 ~~222.104]~~, if authorized by the commission under Chapter 441, a road
8 utility district may be formed under that chapter that has the same
9 boundaries as a transportation reinvestment zone created under this
10 section.

11 (k) A road utility district formed as provided by Subsection
12 (i) may enter into an agreement ~~[with the county to assume the~~
13 ~~obligation, if any, of the county]~~ to fund development of a project
14 ~~[under Section 222.104]~~ or to repay funds owed to the department
15 ~~[under Section 222.104]~~. Any amount paid for this purpose is
16 considered to be an operating expense of the district. Any taxes
17 collected by the district that are not paid for this purpose may be
18 used for any district purpose.

19 (k-1) To accommodate changes in the limits of the project
20 for which a reinvestment zone was designated, the boundaries of a
21 zone may be amended at any time, except that property may not be
22 removed or excluded from a designated zone if any part of the
23 assessment has been assigned or pledged directly by the county or
24 through another entity to secure bonds or other obligations issued
25 to obtain funding of the project, and property may not be added to a
26 designated zone unless the governing body of the municipality
27 complies with Subsections (e) and (f).

1 (1) Except as provided by Subsection (m), a tax abatement
2 agreement entered into under Subsection (h), or an order or
3 resolution on the abatement of taxes or the grant of relief from
4 taxes under that subsection, terminates on December 31 of the year
5 in which the county completes any contractual requirement that
6 included the pledge or assignment of assessments [~~of money~~]
7 collected under this section.

8 SECTION 2.07. Subchapter E, Chapter 222, Transportation
9 Code, is amended by adding Sections 222.108 and 222.109 to read as
10 follows:

11 Sec. 222.108. TRANSPORTATION REINVESTMENT ZONES FOR OTHER
12 TRANSPORTATION PROJECTS. (a) Notwithstanding the requirement in
13 Sections 222.106(b) and 222.107(b) that a transportation
14 reinvestment zone be established in connection with a project under
15 Section 222.104, a municipality or county may establish a
16 transportation reinvestment zone for any transportation project.
17 If all or part of the transportation project is subject to oversight
18 by the department, at the option of the governing body of the
19 municipality or county, the department shall delegate full
20 responsibility for the development, design, letting of bids, and
21 construction of the project, including project oversight and
22 inspection, to the municipality or county provided that the
23 commission or department may take any action that in its reasonable
24 judgment is necessary to comply with any federal requirement to
25 enable this state to receive federal-aid highway funds.

26 (b) A transportation project developed under Subsection (a)
27 that is on the state highway system must comply with state design

1 criteria unless the department grants an exception to the
2 municipality or county.

3 (c) In this section, "transportation project" has the
4 meaning assigned by Section 370.003.

5 Sec. 222.109. REDUCTION PROHIBITED. (a) A municipality or
6 county may not be penalized with a reduction in traditional
7 transportation funding because of the designation and use of a
8 transportation reinvestment zone under this chapter. Any funding
9 from the department identified for a project before the date that a
10 transportation reinvestment zone is designated may not be reduced
11 because the transportation reinvestment zone is designated in
12 connection with that project.

13 (b) The department may not reduce any allocation of
14 traditional transportation funding to any of its districts because
15 a district contains a municipality or county that contains a
16 transportation reinvestment zone designated under this chapter.

17 2.12. Subchapter B, Chapter 223, Transportation
18 Code, is amended by adding Section 223.0411 to read as follows:

19 Sec. 223.0411. REPORT. (a) Not later than December 31,
20 2009, the comptroller shall submit a report to the governor and the
21 Legislative Budget Board as provided by this section. In
22 developing the report, the comptroller shall collaborate with:

- 23 (1) the department;
24 (2) the Texas Board of Professional Engineers;
25 (3) a statewide organization that represents general
26 contractors; and
27 (4) a statewide organization that represents

1 (c) To receive damages collected under this section, a
2 business entity must submit a claim to the department or, if
3 applicable, to the municipality. The department or a municipality
4 shall distribute damages collected under this section according to
5 the schedule.

6 (d) If a business entity located in the corporate limits of
7 a municipality does not submit a claim for damages under Subsection
8 (c) before the first anniversary of the date on which the business
9 entity received notice under Subsection (b)(4), the municipality
10 may use that portion of the damages for transportation projects
11 that will benefit the municipality.

12 (e) The department and a municipality hold damages paid by a
13 contractor under this section in trust for the benefit of a business
14 entity that is adversely affected. The money used to pay damages
15 under this section is held by the department outside the treasury

17 SECTION 2.10. Section 222.053, Transportation Code, is
18 amended by amending Subsection (b) and adding Subsection (i) to
19 read as follows:

20 (b) Except as provided by Subsections [~~Subsection~~] (c) and
21 (i), the commission may require, request, or accept from a
22 political subdivision matching or other local funds,
23 rights-of-way, utility adjustments, additional participation,
24 planning, documents, or any other local incentives to make the most
25 efficient use of its highway funding.

26 (i) The commission may waive, from a political subdivision,
27 matching or other local funds, rights-of-way, utility adjustments,

1 additional participation, planning, documents, or any other local
2 incentives for a designated Texas Highway Trunk System project
3 located in:

- 4 (1) a county with a population of less than 5,000; or
5 (2) a county with a population of 5,000 or more but
6 less than 15,000 if the project is part of a high priority corridor
7 on the national highway system identified under Section 1105 of the
8 Intermodal Surface Transportation Efficiency Act of 1991 (Pub. L.
9 No. 102-240) or other federal legislation.

10 SECTION 2.11 . (a) Subchapter D, Chapter 472, Transportation
11 Code, is amended by adding Sections 472.0311 through 472.0316^{472.0321} and
12 472.035 through 472.046 to read as follows:

13 Sec. 472.0311. PURPOSE. (a) The metropolitan
14 transportation planning process described by this subchapter is
15 intended to:

16 (1) encourage and promote the safe and efficient
17 management, operation, and development of surface transportation
18 systems to serve the mobility needs of people and freight;

19 (2) foster economic growth and development in and
20 through urbanized areas of this state; and

21 (3) minimize transportation-related fuel consumption,
22 air pollution, and greenhouse gas emissions.

23 (b) To accomplish the objectives under Subsection (a),
24 metropolitan planning organizations shall develop, in cooperation
25 with this state and public transit operators, transportation plans
26 and programs for metropolitan areas in this state.

27 (c) The plans and programs for each metropolitan area must

1 provide for the development and integrated management and operation
2 of transportation systems and facilities, including pedestrian
3 walkways and bicycle transportation facilities that will function
4 as an intermodal transportation system for the metropolitan area.

5 (d) The process for developing plans and programs under this
6 subchapter shall provide for consideration of all modes of
7 transportation and be continuing, cooperative, and comprehensive,
8 to the degree appropriate, based on the complexity of the
9 transportation issues to be addressed.

10 (e) To ensure that the process is integrated with the
11 statewide planning process, metropolitan planning organizations
12 shall develop plans and programs that identify transportation
13 facilities that should function as an integrated metropolitan
14 transportation system and give emphasis to facilities that serve
15 important national, state, and regional transportation functions.

17 metropolitan planning organization must be designated
18 redesignated in accordance with, and its boundaries determined by,
19 23 U.S.C. Section 134.

20 (b) Each designated metropolitan planning organization
21 must be fully operational not later than the 180th day after the
22 date of its designation.

23 Sec. 472.0313. POLICY BOARD OFFICERS. (a) Each policy
24 board shall designate, at a minimum, a presiding officer, an
25 assistant presiding officer, and a secretary.

26 (b) The policy board shall select from among its members the
27 presiding officer and assistant presiding officer.

((insert))

Sec. 472.0312. DESIGNATION AND BOUNDARIES. (a) The governor shall designate, in accordance with 23 U.S.C. Section 134, a metropolitan planning organization for each urbanized area of this state having a population of more than 50,000.

(b) A metropolitan planning organization must be designated or redesignated in accordance with, and its boundaries determined by, 23 U.S.C. Section 134.

(c) Each designated metropolitan planning organization must be fully operational not later than the 180th day after the date of its designation.

Sec. 472.0313. ORGANIZATION. A metropolitan planning organization is a governmental entity. The policy board is subject to Chapter 551, Government Code.

1 another health facility of the Veterans Administration, certifying
2 and providing evidence acceptable to the department that the person
3 making the application or on whose behalf the application is made is
4 legally blind or has a mobility problem that substantially impairs
5 the person's ability to ambulate. The statement or prescription
6 must include a certification of whether the disability is temporary
7 or permanent and information acceptable to the department to
8 determine the type of disabled parking placard for which the
9 applicant is eligible. The department shall determine a person's
10 eligibility based on evidence provided by the applicant
11 establishing legal blindness or mobility impairment.

12 (f) If a first application for a disabled parking placard
13 under this section is made by or on behalf of a person with a
14 mobility problem that substantially impairs the person's ability to
15 ambulate, the notarized written statement or written prescription
16 required by Subsection (c) may be issued by a person licensed to
17 practice chiropractic in this state or a state adjacent to this
18 state. In this subsection, "chiropractic" has the meaning assigned

20 Sec. 472.0316. REPRESENTATION OF TRANSPORTATION-RELATED
21 ENTITIES. (a) In metropolitan areas in which authorities or other
22 agencies have been or may be created by law to perform
23 transportation functions and are performing transportation
24 functions that are not under the jurisdiction of a municipality or
25 county represented on the metropolitan planning organization, the
26 authorities or other agencies may be provided voting membership on
27 the policy board.

1 (b) In all other metropolitan planning organizations in
2 which transportation authorities or agencies are to be represented
3 by elected officials from a municipality or county, the
4 organization shall establish a process by which the collective
5 interests of such authorities or other agencies are expressed and
6 conveyed.

Sec. 472.035. POWERS, DUTIES, AND RESPONSIBILITIES.

8 The powers, duties, and responsibilities of a metropolitan planning
9 organization are those specified in this subchapter or incorporated
10 in an interlocal agreement entered into to implement this
11 subchapter.

12 (b) Each metropolitan planning organization shall perform
13 all acts required by applicable federal or state law or rules that
14 are necessary to qualify for federal aid.

15 Sec. 472.036. PLANNING. (a) To the extent permitted by
16 state or federal law, a metropolitan planning organization shall:

17 (1) be involved in the planning and programming of
18 transportation facilities, including airports, intermunicipal and
19 high-speed rail lines, seaports, and intermodal facilities; and

20 (2) in cooperation with the department, develop:

21 (A) a long-range transportation plan as required
22 by Section 472.042;

23 (B) an annually updated transportation
24 improvement program as required by Section 472.043; and

25 (C) an annual unified planning work program as
26 required by Section 472.044.

27 (b) In developing the long-range transportation plan a

((insert))

1 Sec. 472.0332. DUTIES. In addition to the requirements of
2 federal law, a metropolitan planning organization shall perform the
3 duties required by state law and those delegated by the commission
4 under Subchapter H, Chapter 201.

5 Sec. 472.035. POWERS, DUTIES, AND RESPONSIBILITIES. (a) The
6 powers, duties, and responsibilities of a metropolitan planning
7 organization are:

8 (1) those specified in this subchapter or incorporated in
9 an interlocal agreement entered into to implement this subchapter; and

10 (2) to provide regional transportation forecasting and
11 planning, set regional priorities, and make project selection
12 decisions as provided by federal law and the commission.

13 (b) Each metropolitan planning organization shall perform all
14 acts required by applicable federal or state law or rules that are
15 necessary to qualify for federal aid.

16 (c) A metropolitan planning organization may not
17 ~~manage or implement~~ ~~project development~~ activities for individual projects, including
18 procurement or management of the project design and construction
19 process.

(b) In all other metropolitan planning organizations in which transportation authorities or agencies are to be represented by elected officials from a municipality or county, the organization shall establish a process by which the collective interests of such authorities or other agencies are expressed and conveyed.

~~Sec. 472.035. POWERS, DUTIES, AND RESPONSIBILITIES. (a)~~

~~The powers, duties, and responsibilities of a metropolitan planning organization are those specified in this subchapter or incorporated in an interlocal agreement entered into to implement this subchapter.~~

(b) Each metropolitan planning organization shall perform all acts required by applicable federal or state law or rules that

Sec. 472.036. PLANNING. (a) To the extent permitted by state or federal law, a metropolitan planning organization shall:

(1) be involved in the planning and programming of transportation facilities, including airports, intermunicipal and high-speed rail lines, seaports, and intermodal facilities; and

(2) in cooperation with the department, develop:

(A) a long-range transportation plan as required by Section 472.042;

(B) an annually updated transportation improvement program as required by Section 472.043; and

(C) an annual unified planning work program as required by Section 472.044.

(b) In developing the long-range transportation plan and

1 the transportation improvement program under Subsection (a), each
2 metropolitan planning organization shall consider projects and
3 strategies that will:

4 (1) support the economic vitality of the metropolitan
5 area, especially by enabling global competitiveness, productivity,
6 and efficiency;

7 (2) increase the safety and security of the
8 transportation system for motorized and nonmotorized users;

9 (3) increase the accessibility and mobility options
10 available to people and for freight;

11 (4) protect and enhance the environment, promote
12 energy conservation, and improve quality of life;

13 (5) enhance the integration and connectivity of the
14 transportation system, across and between modes, for people and
15 freight;

16 (6) promote efficient system management and
17 operation; and

18 (7) emphasize the preservation of the existing
19 transportation system.

20 (c) To provide recommendations to the department and local
21 governmental entities regarding transportation plans and programs,
22 each metropolitan planning organization shall:

23 (1) prepare a congestion management system for the
24 metropolitan area and cooperate with the department in the
25 development of any other transportation management system required
26 by state or federal law;

27 (2) assist the department in mapping transportation

1 planning boundaries required by state or federal law;

2 (3) assist the department in performing its duties
3 relating to access management, functional classification of roads,
4 and data collection;

5 (4) execute all agreements or certifications
6 necessary to comply with applicable state or federal law;

7 (5) represent all the jurisdictional areas in the
8 metropolitan area in the formulation of a transportation plan or
9 program required by this subchapter; and

10 (6) perform all other duties required by state or
11 federal law.

12 Sec. 472.037. TECHNICAL ADVISORY COMMITTEE. (a) Each
13 metropolitan planning organization shall appoint a technical
14 advisory committee whose members serve at the pleasure of the
15 metropolitan planning organization.

16 (b) The membership of the technical advisory committee must
17 include, if possible:

18 (1) planners;

19 (2) engineers;

20 (3) a representative of each political subdivision or
21 agency or department of a political subdivision that provides
22 transportation services, including, as applicable:

23 (A) a port authority, navigation district, or
24 public transit authority; or

25 (B) a county or municipal airport or transit
26 department;

27 (4) the superintendent of each school district in the

1 jurisdiction of the metropolitan planning organization or a person
2 designated by the superintendent; and

3 (5) other appropriate representatives of affected
4 local governments.

5 Sec. 472.038. SAFE ACCESS TO SCHOOLS. (a) In addition to any
6 other duty assigned to it by the metropolitan planning organization
7 or by state or federal law, the technical advisory committee is
8 responsible for considering safe access to schools in its review of
9 transportation project priorities, long-range transportation
10 plans, and transportation improvement programs and shall advise the
11 metropolitan planning organization on those issues.

12 (b) The technical advisory committee shall coordinate its
13 actions with local school boards and other local programs and
14 organizations in the metropolitan area that participate in school
15 safety activities, including locally established community traffic
16 safety teams.

17 (c) A school board must provide the appropriate
18 metropolitan planning organization with information concerning
19 future school sites and the coordination of transportation
20 services.

21 Sec. 472.039. EMPLOYEES. (a) Each metropolitan planning
22 organization shall employ:

23 (1) an executive or staff director who reports
24 directly to the organization's policy board for all matters
25 regarding the administration and operation of the metropolitan
26 planning organization; and

27 (2) any additional personnel the policy board

1 considers necessary.

2 (b) The executive or staff director and additional
3 personnel may be employed by the metropolitan planning organization
4 or by another governmental entity, including a county,
5 municipality, or regional planning organization that has a staff
6 services agreement with the metropolitan planning organization.

7 (c) A metropolitan planning organization may enter into a
8 contract with a local or state agency, private planning firm,
9 private engineering firm, or other public or private entity to
10 accomplish the metropolitan planning organization's transportation
11 planning and programming duties and administrative functions.

12 (d) A metropolitan planning organization, for the purpose
13 of influencing legislation, may not engage the services of a person
14 who is required to register with the Texas Ethics Commission under
15 Chapter 305, Government Code.

16 Sec. 472.040. TRAINING. (a) To enhance its members'
17 knowledge, effectiveness, and participation in the transportation
18 planning process, a metropolitan planning organization shall
19 provide training opportunities and funds for the organization's
20 members.

21 (b) Training of its policy board members may be conducted by
22 the metropolitan planning organization or through statewide or
23 federal training programs and initiatives that are specifically
24 designed to meet the needs of metropolitan planning organization
25 policy board members.

26 Sec. 472.041. COORDINATION WITH OTHER ENTITIES. A
27 metropolitan planning organization may join with any other

1 metropolitan planning organization or an individual political
2 subdivision to:

- 3 (1) coordinate activities; or
4 (2) achieve any federal or state transportation
5 planning or development goal or purpose consistent with federal or
6 state law.

7 ~~Sec. 472.042. LONG-RANGE TRANSPORTATION PLAN. Each~~
8 ~~metropolitan planning organization shall develop a long-range~~
9 ~~transportation plan that addresses at least a 20-year period. The~~
10 ~~plan must include both long-range and short-range strategies and~~
11 ~~comply with all other state and federal requirements.~~

12 Sec. 472.043. TRANSPORTATION IMPROVEMENT PROGRAM. (a)
13 Each metropolitan planning organization shall develop annually a
14 list of project priorities and a transportation improvement
15 program. The prevailing principles to be considered by the
16 metropolitan planning organization when developing a list are:

- 17 (1) preserving the existing transportation
18 infrastructure;
19 (2) enhancing the economic competitiveness of this
20 state; and
21 (3) improving travel choices to ensure mobility.

22 (b) The transportation improvement program may be used to
23 initiate federally aided transportation facilities and
24 improvements and other transportation facilities and improvements,
25 including transit, rail, aviation, and port facilities.

26 (c) The transportation improvement program must be
27 consistent, to the maximum extent feasible, with comprehensive

1 plans of the political subdivisions the boundaries of which are in
2 the metropolitan area served by the metropolitan planning
3 organization.

4 Sec. 472.044. UNIFIED PLANNING WORK PROGRAM. (a) Each
5 metropolitan planning organization shall develop, in cooperation
6 with the department and public transit operators, a unified
7 planning work program that lists all planning tasks to be
8 undertaken during the program year.

9 (b) The unified planning work program must provide a
10 complete description of each planning task and an estimated budget
11 for that task and must comply with applicable state and federal law.

12 Sec. 472.045. APPLICATION OF FEDERAL LAW. (a) On
13 notification by an agency of the federal government that a
14 provision of this subchapter conflicts with a federal law or
15 regulation, the federal law or regulation takes precedence to the
16 extent of the conflict until the conflict is resolved.

17 (b) The department or a metropolitan planning organization
18 may take any action necessary to comply with federal laws and
19 regulations or to continue to remain eligible to receive federal
20 funds.

21 Sec. 472.046. PUBLICATION OF INFORMATION ON INTERNET
22 WEBSITE. A metropolitan planning organization shall publish
23 financial information on its Internet website, including
24 information regarding:

- 25 (1) budgeted annual revenues and expenditures;
26 (2) actual ^{annual} ~~quarterly~~ revenues and expenditures; and
27 (3) staffing levels.

A policy board may allow for the appointment of alternate members, if defined by its bylaws, to serve in the absence of the primary members

1 (b) A metropolitan planning organization is not required to
2 ~~designate officers in accordance with Section 472.0312,~~
3 ~~Transportation Code, as added by this section, and a technical~~
4 advisory committee of a metropolitan planning organization is not
5 required to comply with Section 472.037, Transportation Code, as
6 added by this section, before January 1, 2010.

7 SECTION 2.12. Section 472.032, Transportation Code, is
8 amended to read as follows:

9 Sec. 472.032. VOTING PROXIES BY POLICY BOARD MEMBERS
10 PROHIBITED. (a) A policy board may not allow its members to vote by
11 proxy ~~[provide in its bylaws for appointment of voting proxies by~~
12 ~~its members].~~

13 (b) ~~[A proxy appointed under Subsection (a):~~
14 ~~[(1) acts on behalf of and under the supervision of the~~
15 ~~policy board member who appointed the proxy,~~
16 ~~[(2) must be appointed in writing, and~~
17 ~~[(3) is authorized to vote for the policy board member~~
18 ~~who appointed the proxy to the extent the member has given the proxy~~
19 ~~the member's voting power.~~

20 ~~[(c)]~~ A legislative member of a policy board may not be
21 counted as absent at a meeting of the policy board during a
22 legislative session.

23 ~~[(d) A legislative member of a policy board may only appoint~~
24 ~~a proxy under Subsection (a) who is:~~

25 ~~[(1) the legislative member's employee or staff~~
26 ~~member,~~

27 ~~[(2) a person related to the member within the second~~

1 ~~degree by consanguinity, as determined under Subchapter B, Chapter~~
2 ~~573, Government Code, who is not required to register as a lobbyist~~
3 ~~under Chapter 305, Government Code,~~

4 ~~[(3) another legislative member of the policy board,~~
5 ~~or~~

6 ~~[(4) a locally elected official.]~~

7 SECTION 2.13. Subchapter D, Chapter 201, Transportation
8 Code, is amended by adding Section 201.214 to read as follows:

9 Sec. 201.214. ENVIRONMENTAL CERTIFICATION. (a) The
10 department shall establish a process to certify district
11 environmental specialists in the department, including specialists
12 for matters regarding compliance with state and federal regulation
13 of stormwater runoff and control.

14 (b) The certification process must include minimum
15 standards of training, as determined by the department, including
16 mandatory annual continuing education standards for a certified
17 person to be eligible for annual re-certification.

19 shall not be required to provide or hold any additional
20 certification, other than a license issued under that chapter, to
21 seal a plan, specification, analysis, or report under this program.

22 SECTION 2.18. Subchapter B, Chapter 224, Transportation
23 Code, is amended by adding Section 224.034 to read as follows:

24 Sec. 224.034. AGGREGATE RESOURCE AVAILABILITY ASSESSMENT.
25 (a) Any transportation planning conducted under this chapter must
26 include an aggregate resource availability assessment conducted by
27 the department in coordination and consultation with the bureau of

1 ~~degree by consanguinity, as determined under Subchapter B, Chapter~~
2 ~~213, Government Code, who is not required to register as a lobbyist~~
3 ~~under Chapter 305, Government Code,~~

4 ~~[(3) another legislative member of the police board,~~
5 ~~or~~

6 ~~[(4) a locally elected official.]~~

7 SECTION 2.17. Subchapter D, Chapter 201, Transportation
8 Code, is amended by adding Section 201.214 to read as follows:

9 Sec. 201.214. ENVIRONMENTAL CERTIFICATION. (a) The
0 department shall establish a process to certify district
1 environmental specialists in the department, including specialists
2 for matters regarding compliance with state and federal regulation
3 of stormwater runoff and control.

4 (b) The certification process must include minimum
5 standards of training, as determined by the department, including
6 mandatory annual continuing education standards for a certified
7 person to be eligible for annual re-certification.

8 (d) A person licensed under Chapter 1001, Occupations Code
9 shall not be required to provide or hold any additional
0 certification, other than a license issued under that chapter,

22 SECTION 2.14. Subchapter B, Chapter 224, Transportation
23 Code, is amended by adding Section 224.034 to read as follows:

24 Sec. 224.034. AGGREGATE RESOURCE AVAILABILITY ASSESSMENT.

25 (a) Any transportation planning conducted under this chapter must
26 include an aggregate resource availability assessment conducted by
27 the department in coordination and consultation with the Bureau of

1 Economic Geology of The University of Texas at Austin.

2 (b) An aggregate resource availability assessment conducted
3 under Subsection (a) must include:

4 (1) an assessment of the known or inferred quantity,
5 quality, and extent of aggregate deposits that may be available as
6 raw material for projects included in the transportation planning;
7 and

8 (2) with regard to the aggregate resources identified
9 in the assessment in Subdivision (1):

10 (A) the amount of the aggregate resources for
11 which state and federal permits have been issued that are necessary
12 for removal of the aggregate resources; and

13 (B) a forecast of market demand for the aggregate
14 resources.

15 Section 201.712, (a) Subchapter 1, Chapter 201, Transportation Code, is amended by adding Section 201.712 to read as follows:

16 Sec. 201.712. REQUIREMENTS FOR AGGREGATE IN HIGHWAY
17 IMPROVEMENT PROJECTS. (a) In this section, "glass cullet" means
18 recycled, crushed glass suitable as a replacement for gravel
19 aggregate in roadway construction.

20 (b) Each year the department shall use, or enter into a
21 contract to use, at least 10,000 cubic yards per year of glass
22 cullet gathered in this state as a replacement for aggregate
23 material.

24 (b) Section 201.712, Transportation Code, added by this
25 section, applies only to a year that begins on or after January 1,
26 2010.
27

1 SECTION 2.15, Section 364.004(c), Transportation Code, is
2 repealed.

3 SECTION 2.10, Subchapter C, Chapter 371, Transportation
4 Code, as added by Chapter 264 (S.B. 792), Acts of the 80th
5 Legislature, Regular Session, 2007, is amended by adding Section
6 371.105 to read as follows:

7 Sec. 371.105. PROHIBITION AGAINST CONCESSION PAYMENTS;
8 REVENUE SHARING. (a) In this section, "concession payment" means
9 an up-front payment made by a private participant in return for
10 which the private participant is granted a right to operate and
11 receive revenue from a toll project.

12 (b) A toll project entity is prohibited from accepting a
13 concession payment as part of a comprehensive development
14 agreement.

15 (c) A toll project entity may enter into a revenue sharing
16 agreement with a private participant as part of a comprehensive
17 development agreement.

18 (d) This section does not apply to:

19 (1) the State Highway 161 project from State Highway
20 183 to Interstate Highway 20 in Dallas County;

21 (2) the Loop 49 project from Interstate Highway 20 to
22 State Highway 110 in Smith County;

23 (3) the DFW Connector project in Tarrant and Dallas
24 Counties (State Highway 114 from State Highway 114L Business to
25 east of International Parkway and State Highway 121 from north of
26 Farm-to-Market Road 2499 to south of State Highway 360);

27 (4) the North Tarrant Express project in Tarrant and

1 Dallas Counties (Interstate Highway 820 and State Highway 121/State
2 Highway 183 from Interstate Highway 35W to State Highway 161,
3 Interstate Highway 820 east from State Highway 121/State Highway
4 183 to Randol Mill Road, and Interstate Highway 35W from Interstate
5 Highway 30 to State Highway 170);

6 (5) the United States Highway 290 project from east of
7 United States Highway 183 to east of Farm-to-Market Road 973 in
8 Travis County;

9 (6) the State Highway 99 (Grand Parkway) project;

10 (7) the Interstate Highway 635 managed lanes project
11 in Dallas County (Interstate Highway 635 from east of Luna Road to
12 Greenville Avenue and Interstate Highway 35E from south of the Loop
13 12/Interstate Highway 35E split to south of Valwood Parkway);

14 (8) the Phase 3 and 4 extensions of the Dallas North
15 Tollway in Collin and Denton Counties from State Highway 121 to the
16 Grayson County line, and the planned future extension into Grayson
17 County, regardless of which local toll project entity develops the
18 extension in Grayson County;

19 ~~(9) the Southwest Parkway (State Highway 121) in~~
20 ~~arrant County from south of Dirko Road/Altamasa Boulevard to~~
21 ~~Interstate Highway 90;~~

22 ~~(10) a comprehensive development agreement in~~
23 ~~connection with a project associated with any portion of the Loop 9~~
24 ~~project that is located in an attainment air quality area as~~
25 ~~designated by the United States Environmental Protection Agency~~
26 ~~that includes two adjacent counties that each have a population of~~
27 ~~one million or more;~~

((insert))

1 ⁹
 ~~(10)~~ the Southwest Parkway (State Highway 121) in Tarrant
2 County from Interstate 30 to Dirks Road/Altamesa Boulevard and the
3 Chisholm Trail project from Dirks Road/Altamesa Boulevard to U.S.
4 Highway 67 in the City of Cleburne;

1 Dallas Counties (Interstate Highway 820 and State Highway 121/State
2 Highway 183 from Interstate Highway 35W to State Highway 161,
3 Interstate Highway 820 east from State Highway 121/State Highway
4 183 to Randall Mill Road, and Interstate Highway 35W from Interstate
5 Highway 30 to State Highway 170);

6 (5) the United States Highway 290 project from east of
United States Highway 183 to east of Farm-to-Market Road 973 in
Travis County;

9 (6) the State Highway 99 (Grand Parkway) project;

10 (7) the Interstate Highway 635 managed lanes project
11 in Dallas County (Interstate Highway 635 from east of Luna Road to
12 Greenville Avenue and Interstate Highway 35E from south of the Loop
13 12/Interstate Highway 35E split to south of Valwood Parkway);

14 (8) the Phase 3 and 4 extensions of the Dallas North
15 Tollway in Collin and Denton Counties from State Highway 121 to the
16 Grayson County line, and the planned future extension into Grayson
17 County, regardless of which local toll project entity develops the
18 extension in Grayson County;

19 (9) the Southwest Parkway (State Highway 121) in
20 Tarrant County from south of Dirks Road/Altamesa Boulevard to
21 Interstate Highway 30;

22 (10) ~~(10)~~ a comprehensive development agreement in
23 connection with a project associated with any portion of the Loop 9
24 project that is located in a nonattainment air quality area as
25 designated by the United States Environmental Protection Agency
26 that includes two adjacent counties that each have a population of
27 one million or more;

1 ~~(11)~~ ~~(11)~~ the Dallas North Tollway in Collin County from FM
2 428 to the Grayson County Line;
3 ~~(12)~~ ~~(12)~~ the Lake Lavon Bridge in Collin County; and
4 ~~(13)~~ ~~(13)~~ IH-35 West and associated passenger rail in
5 Tarrant and Denton Counties.

SECTION 2.22. 8.1
Transportation Code, as added by Chapter 264 (S.B. 792), Acts of the
8 70th Legislature, Regular Session, 2007, is amended to read as
9 follows:

10 (a) Before a toll project entity enters into a contract for
11 the construction of a toll project, the entity shall publish in the
12 manner provided by Section 371.152 information regarding:

13 (1) project financing, including:

14 (A) the total amount of debt that has been and
15 will be assumed to acquire, design, construct, operate, and
16 maintain the toll project;

17 (B) a description of how the debt will be repaid,
18 including a projected timeline for repaying the debt; and

19 (C) the projected amount of interest that will be
20 paid on the debt;

21 (2) whether the toll project will continue to be
22 tolled after the debt has been repaid;

23 (3) a description of the method that will be used to
24 set toll rates;

25 (4) a description of any terms in the contract
26 relating to competing facilities, including any penalties
27 associated with the construction of a competing facility;

1 (11) the Dallas North Tollway in Tarrant County from FM
2 428 to the Grayson County Line;
3 (12) the Lavon Bridge in Collin County; and
4 IH-35 West and associated passenger rail in
5 Tarrant and Denton Counties.

6 SECTION 2.17. Subsection (a), Section 371.151,
7 Transportation Code, as added by Chapter 264 (S.B. 792), Acts of the
8 80th Legislature, Regular Session, 2007, is amended to read as
9 follows:

10 (a) Before a toll project entity enters into a contract for
11 the construction of a toll project, the entity shall publish in the
12 manner provided by Section 371.152 information regarding:

13 (1) project financing, including:

14 (A) the total amount of debt that has been and
15 will be assumed to acquire, design, construct, operate, and
16 maintain the toll project;

17 (B) a description of how the debt will be repaid,
18 including a projected timeline for repaying the debt; and

19 (C) the projected amount of interest that will be
20 paid on the debt;

21 (2) whether the toll project will continue to be
22 tolled after the debt has been repaid;

23 (3) a description of the method that will be used to
24 set toll rates;

25 (4) a description of any terms in the contract
26 relating to competing facilities, including any penalties
27 associated with the construction of a competing facility;

1 (5) a description of any terms in the contract
2 relating to a termination for convenience provision, including any
3 information regarding how the value of the project will be
4 calculated for the purposes of making termination payments;

5 (6) the initial toll rates, the methodology for
6 increasing toll rates, and the projected toll rates at the end of
7 the term of the contract; and

8 (7) the terms of any revenue sharing agreement [~~the~~
9 ~~projected total amount of concession payments~~].

10 SECTION 2.18. (a) The changes in law made by Section
11 371.151, Transportation Code, as amended by this article, and
12 Section 371.105, Transportation Code, as added by this article,
13 apply only to a comprehensive development agreement entered into on
14 or after the effective date of this Act.

15 (b) A comprehensive development agreement entered into
16 before the effective date of this Act is governed by the law in
17 effect on the day the agreement was finalized, and the former law is
18 continued in effect for that purpose.

~~19 (a) Section 371.101, Transportation Code, as amended by this Act, does not apply to a comprehensive development
20 agreement for a project on the IH 69 corridor in Bowie County.~~

~~21 (b) A project described by this section is governed by
22 Section 371.101, Transportation Code, as that section existed
23 immediately before the effective date of this Act, and the former
24 law is continued in effect for that purpose.~~

~~25 SECTION 2.25. Section 371.101, Transportation Code, as
26 added by Chapter 264 (S.B. No. 792), Acts of the 80th Legislature,
27~~

26-1 (2) provide input to the department on projects
 26-2 involving the connectivity of the state highway system.
 26-3 (b) A rural planning organization may provide planning
 26-4 assistance as may be necessary to support regional transportation
 26-5 priorities.

26-6 Sec. 401.155. DEPARTMENT PARTICIPATION. The department:
 26-7 (1) shall provide funds and personnel to assist rural
 26-8 planning organizations with rural transportation planning, which
 26-9 may include:
 26-10 (A) available federal planning funds not
 26-11 designated for metropolitan planning organizations;
 26-12 (B) money allocated to the department from the
 26-13 state highway funds; and
 26-14 (C) other funds that may be available to fund the
 26-15 operations of a rural planning organization;
 26-16 (2) shall work with rural planning organizations to
 26-17 identify available sources of funding for rural transportation
 26-18 planning, which may include federal funds or transportation
 26-19 development grants; and
 26-20 (3) may contract with rural planning organizations to
 26-21 provide services necessary to support rural transportation
 26-22 planning.
 26-23 (b) A rural planning organization created by board
 26-24 resolution of a council of governments before the effective date of
 26-25 this Act that otherwise conforms to the requirements of this
 26-26 section is recognized as having been validly created under this

ARTICLE 3. PUBLIC INVOLVEMENT AND COMPLAINTS

SECTION 3.01. (a) Subchapter H, Chapter 201, Transportation Code, is amended by adding Section 201.605 to read as follows:

26-31 Sec. 201.605. PUBLIC PARTICIPATION. (a) The commission by
 26-32 rule shall provide for the department to hold, or provide the
 26-33 opportunity for, one or more public hearings for any transportation
 26-34 project owned or operated by the department that requires the
 26-35 acquisition of significant amounts of rights-of-way, substantially
 26-36 changes the layout or functions of connecting roadways or of a
 26-37 facility being improved, has a substantial adverse impact on
 26-38 abutting property, or otherwise has a significant social, economic,
 26-39 environmental, or other effect, or for which the department
 26-40 determines that a public hearing is in the public interest. The
 26-41 rules must provide for the public's submission of oral or written
 26-42 comments and the department's preparation of written responses to
 26-43 the comments. The department shall prepare a transcript of any oral
 26-44 comments submitted.

26-45 (b) The commission by rule shall provide for the department
 26-46 to hold, or provide the opportunity for, one or more public meetings
 26-47 for an informal exchange of information between the department and
 26-48 the public for a transportation project owned or operated by the
 26-49 department. The rules must provide for the public meetings to be
 26-50 held at the earliest stages of the project as possible.

26-51 (c) Notice of a public hearing or a public meeting under
 26-52 this section must:

26-53 (1) be by publication in the locality of the
 26-54 transportation project not less than seven or more than 20 days
 26-55 before the date of the hearing or meeting;

26-56 (2) be distributed to the public not less than seven
 26-57 days before the date of the hearing or meeting using methods
 26-58 suitable for the distribution given the nature of the
 26-59 transportation project and the populations that may be affected by
 26-60 it;

26-61 (3) be simple, readable, and informative;

26-62 (4) include:

- 26-63 (A) the name and description of the project;
- 26-64 (B) a map or graphic illustration of the project;
- 26-65 (C) the reason for the project;
- 26-66 (D) the purpose of the hearing or meeting;
- 26-67 (E) the location, date, and time of the hearing

26-68 or meeting;

26-69 (F) a contact telephone number for information

27-1 about the hearing or meeting; and
 27-2 (G) the Internet website address where project
 27-3 information and the materials used at the hearing or meeting may be
 27-4 viewed; and
 27-5 (5) if the population that will be affected by the
 27-6 project is significantly non-English-speaking, also be published
 27-7 in the dominant language of a majority of that population.
 27-8 (d) Any interested person may attend a public hearing or a
 27-9 public meeting held under this section.
 27-10 (e) The department shall publish on its Internet website any
 27-11 materials used at a public hearing or public meeting not later than
 27-12 the third day after the date of the hearing or meeting.
 27-13 (f) If the department holds more than one public hearing or
 27-14 one public meeting for a transportation project, the department
 27-15 shall vary the scheduling of the hearings or meetings to
 27-16 accommodate persons living in different geographic areas affected
 27-17 by the project and persons with varied work schedules.
 27-18 (g) The department's presentation of information at a
 27-19 public hearing or meeting must include:
 27-20 (1) the design and schematic layout of the project;
 27-21 (2) the problem or need to be addressed by the project;
 27-22 (3) a reference to the part of the department's
 27-23 mission, strategic plan, or legislative direction that is furthered
 27-24 by the project, and the project's relation to the local planning
 27-25 process;
 27-26 (4) an explanation using diagrams, flowcharts, or
 27-27 other devices to illustrate procedural steps of the project, and an
 27-28 estimated timeline leading to the completion of the project; and
 27-29 (5) a discussion of significant impacts of the
 27-30 project.
 27-31 (h) The department shall make available an electronic mail
 27-32 address or Internet website that may be used to submit public
 27-33 comments concerning a project.

~~property and affected local governments and public officials with
 notice and an opportunity for comment on a state highway project
 that involves:
 (1) the addition of one or more vehicular lanes to an
 existing highway; or
 (2) the construction of a highway at a new location.
 The commission by rule shall provide procedures for
 informing adjoining property owners and affected local governments
 and public officials of impending construction.
 SECTION 3.02. (a) Section 201.801, Transportation Code, is
 amended to read as follows:
 Sec. 201.801. [INFORMATION ABOUT DEPARTMENT,] COMPLAINTS.
 (a) The department shall maintain a system to promptly and
 efficiently act on complaints filed with the department. The
 department shall maintain information about the parties to and the
 subject matter of a complaint and a summary of the results of the
 review or investigation of the complaint and the disposition of the
 complaint.
 (b) The department shall make information available
 describing its procedures for complaint investigation and
 resolution [prepare information of public interest describing the
 functions of the department and the department's procedures by
 which a complaint is filed with the department and resolved by the
 department. The department shall make this information available to
 the public and appropriate state agencies].
 [(b) The commission by rule shall establish methods by which
 consumers and service recipients are notified of the department's
 name, mailing address, and telephone number for directing
 complaints to the department. The commission may provide for that
 notification:
 [(1) on each registration form, application, or
 written contract for services of an individual or entity regulated
 by the department;
 [(2) on a sign prominently displayed in the place of
 business of each individual or entity regulated by the department.]~~

may".

In SECTION 2.12 of the bill, added Section 472.153(a), Transportation Code (page 25, line 2), strike "must" and substitute "may".

(6) In SECTION 3.01 of the bill, added Section 201.605(i), Transportation Code (page 27), strike lines 34 through 36 and

8 (i) The commission by rule shall provide for notice to
9 owners of adjoining property and affected local governments and
10 public officials and provide an opportunity for comment on a state
11 highway project.

(7) In SECTION 4.03 of the bill, amended Section 223.201, Transportation Code (page 30), strike lines 29 through 31 and substitute the following:

operate, extend, or expand a state highway[+

~~(1) toll project,~~

~~[(2) facility or a combination of facilities on the Trans-Texas Corridor]~~

(8) Add the following appropriately numbered SECTION to ARTICLE 4 of the bill and renumber subsequent SECTIONS of that article accordingly:

SECTION _____. Subchapter ____ Chapter 223, Transportation Code, is amended by adding Section 223.____ to read as follows:

Sec. 223.2011. COMPREHENSIVE DEVELOPMENT AGREEMENTS IN CERTAIN COUNTIES FOR CERTAIN PROJECTS. (a) In this section, "region" means a county with a population of 3.3 million or more and the counties adjacent to that county.

(1) This section applies only to:

(1) the portion of IH 69 and any successor project located in:

(A) a county with a population of 3.3 million or more

27-1 about the hearing or meeting; and
 27-2 (G) the Internet website address where project
 27-3 information and the materials used at the hearing or meeting may be
 27-4 viewed; and
 27-5 (5) if the population that will be affected by the
 27-6 project is significantly non-English-speaking, also published
 27-7 in the dominant language of a majority of that population.
 27-8 (d) Any interested person may attend a public hearing or a
 27-9 public meeting held under this section.
 27-10 (e) The department shall publish on its Internet website any
 27-11 materials used at a public hearing or public meeting not later than
 27-12 the third day after the date of the hearing or meeting.
 27-13 (f) If the department holds more than one public hearing or
 27-14 one public meeting for a transportation project, the department
 27-15 shall vary the scheduling of the hearings or meetings to
 27-16 accommodate persons living in different geographic areas affected
 27-17 by the project and persons with varied work schedules.
 27-18 (g) The department's presentation of information at a
 27-19 public hearing or meeting must include:
 27-20 (1) the design and schematic layout of the project;
 27-21 (2) the problem or need to be addressed by the project;
 27-22 (3) a reference to the part of the department's
 27-23 mission, strategic plan, or legislative direction that is furthered
 27-24 by the project, and the project's relation to the local planning
 27-25 process;
 27-26 (4) an explanation using diagrams, flowcharts, or
 27-27 other devices to illustrate procedural steps of the project, and an
 27-28 estimated timeline leading to the completion of the project; and
 27-29 (5) a discussion of significant impacts of the
 27-30 project.
 27-31 (h) The department shall make available an electronic mail
 27-32 address or Internet website that may be used to submit public
 27-33 comments concerning a project.
 27-34 (i) The commission by rule shall provide owners of adjoining
 27-35 property and affected local governments and public officials with
 27-36 notice and an opportunity for comment on a state highway project
 27-37 that involves:
 27-38 (1) the addition of one or more vehicular lanes to
 27-39 an existing highway; or
 27-40 (2) the construction of a highway at a new location.
 27-41 (j) The commission by rule shall provide procedures for
 27-42 informing adjoining property owners and affected local governments
 27-43 and public officials of impending construction.

27-44 amended to read as follows:
 27-45 Sec. 201.801. [~~INFORMATION ABOUT DEPARTMENT,~~] COMPLAINTS.
 27-46 (a) The department shall maintain a system to promptly and
 27-47 efficiently act on complaints filed with the department. The
 27-48 department shall maintain information about the parties to and the
 27-49 subject matter of a complaint and a summary of the results of the
 27-50 review or investigation of the complaint and the disposition of the
 27-51 complaint.
 27-52 (b) The department shall make information available
 27-53 describing its procedures for complaint investigation and
 27-54 resolution [prepare information of public interest describing the
 27-55 functions of the department and the department's procedures by
 27-56 which a complaint is filed with the department and resolved by the
 27-57 department. The department shall make the information available to
 27-58 the public and appropriate state agencies].
 27-59 [(b) The commission by rule shall establish methods by which
 27-60 consumers and service recipients are notified of the department's
 27-61 name, mailing address, and telephone number for directing
 27-62 complaints to the department. The commission may provide for that
 27-63 notification:
 27-64 (1) on each registration form, application, or
 27-65 written contract for services of an individual or entity regulated
 27-66 by the department;
 27-67 (2) on a sign prominently displayed in the place of
 27-68 business of each individual or entity regulated by the department.

(b) The Texas Department of Transportation shall adopt rules under Section 201.605, Transportation Code, as added by this section, not later than January 1, 2010. 88

1 (1) a summary of the activities performed by the
2 inspector general in conducting the review; and

3 (2) a description of any findings in connection with a
4 review conducted under Section 201.451.

5 (b) An inspector general's final reports are subject to
6 disclosure under Chapter 552, Government Code.

7 (c) Unless otherwise prohibited by this chapter or other
8 law, the inspector general shall deliver a copy of each final report
9 that concerns the implementation or administration of a state or
10 federally funded program to:

11 (1) the commission and the executive director;

12 (2) the governor;

13 (3) the lieutenant governor;

14 (4) the speaker of the house of representatives;

15 (5) the state auditor; and

16 (6) the appropriate legislative oversight committees.

17 SECTION 2A.02. The Texas Transportation Commission or the
18 Transportation Legislative Oversight Committee, as applicable,
19 shall appoint an inspector general as required by Section 201.451,
20 Transportation Code, as added by this Act, not later than December
21 1, 2009.

22 ARTICLE 3. PUBLIC INVOLVEMENT AND COMPLAINTS

23 SECTION 3.02. (a) Section 201.801, Transportation Code, is
24 amended to read as follows:

25 Sec. 201.801. [~~INFORMATION ABOUT DEPARTMENT,~~] COMPLAINTS.

26 (a) The department shall maintain a system to promptly and
27 efficiently act on complaints filed with the department. The

1 department shall maintain information about the parties to and the
2 subject matter of a complaint and a summary of the results of the
3 review or investigation of the complaint and the disposition of the
4 complaint.

5 (b) The department shall make information available
6 describing its procedures for complaint investigation and
7 resolution [~~prepare information of public interest describing the~~
8 ~~functions of the department and the department's procedures by~~
9 ~~which a complaint is filed with the department and resolved by the~~
10 ~~department. The department shall make the information available to~~
11 ~~the public and appropriate state agencies].~~

12 [~~(b) The commission by rule shall establish methods by which~~
13 ~~consumers and service recipients are notified of the department's~~
14 ~~name, mailing address, and telephone number for directing~~
15 ~~complaints to the department. The commission may provide for that~~
16 ~~notification.~~

17 [~~(1) on each registration form, application, or~~
18 ~~written contract for services of an individual or entity regulated~~
19 ~~by the department,~~

20 [~~(2) on a sign prominently displayed in the place of~~
21 ~~business of each individual or entity regulated by the department,~~
22 ~~or~~

23 [~~(3) in a bill for service provided by an individual or~~
24 ~~entity regulated by the department.]~~

25 (c) [~~The department shall,~~

26 [~~(1) keep an information file about each written~~
27 ~~complaint filed with the department that the department has the~~

1 ~~authority to resolve, and~~

2 ~~[(2) provide the person who filed the complaint, and~~
3 ~~each person or entity that is the subject of the complaint,~~
4 ~~information about the department's policies and procedures~~
5 ~~relating to complaint investigation and resolution.~~

6 ~~[(d)] The department[, at least quarterly and until final~~
7 ~~disposition of a written complaint that is filed with the~~
8 ~~department and that the department has the authority to resolve,]~~
9 shall periodically notify the parties to the complaint of its
10 status until final disposition unless the notice would jeopardize
11 an undercover investigation.

12 (d) The commission shall adopt rules applicable to each
13 division and district to establish a process to act on complaints
14 filed with the department ~~[(e) With regard to each complaint filed~~
15 ~~with the department, the department shall keep the following~~
16 ~~information:~~

17 ~~[(1) the date the complaint is filed,~~

18 ~~[(2) the name of the person filing the complaint,~~

19 ~~[(3) the subject matter of the complaint,~~

20 ~~[(4) a record of each person contacted in relation to~~
21 ~~the complaint,~~

22 ~~[(5) a summary of the results of the review or~~
23 ~~investigation of the complaint, and~~

24 ~~[(6) if the department takes no action on the~~
25 ~~complaint, an explanation of the reasons that no action was taken].~~

26 (e) The department shall develop a standard form for
27 submitting a complaint and make the form available on its Internet

1 website. The department shall establish a method to submit
2 complaints electronically.

3 (f) The department shall develop a method for analyzing the
4 sources and types of complaints and violations and establish
5 categories for the complaints and violations. The department shall
6 use the analysis to focus its information and education efforts on
7 specific problem areas identified through the analysis.

8 (g) The department shall:

9 (1) compile:

10 (A) detailed statistics and analyze trends on
11 complaint information, including:

12 (i) the nature of the complaints;

13 (ii) their disposition; and

14 (iii) the length of time to resolve
15 complaints; and

16 (B) complaint information on a district and a
17 divisional basis; and

18 (2) report the information on a monthly basis to the
19 division directors, office directors, and district engineers and on
20 a quarterly basis to the commissioner.

21 (b) The Texas Department of Transportation shall adopt
22 rules under Section 201.801, Transportation Code, as amended by
23 this section, not later than March 1, 2010.

24 SECTION 3.03. Subchapter J, Chapter 201, Transportation
25 Code, is amended by adding Section 201.811 to read as follows:

26 Sec. 201.811. PUBLIC INVOLVEMENT POLICY. (a) The
27 department shall develop and implement a policy for public

1 involvement that guides and encourages public involvement with the
2 department. The policy must:

3 (1) provide for the use of public involvement
4 techniques that target different groups and individuals;

5 (2) encourage continuous contact between the
6 department and persons outside the department throughout the
7 transportation decision-making process;

8 (3) require the department to make efforts toward:

9 (A) clearly tying public involvement to
10 decisions made by the department; and

11 (B) providing clear information to the public
12 about specific outcomes of public input; and

13 (4) apply to all public input with the department,
14 including input:

15 (A) on statewide transportation policy-making;

16 (B) in connection with the environmental process
17 relating to specific projects; and

18 (C) into the department's rulemaking procedures.

19 (b) The department shall document the ratio of positive
20 public input to negative public input regarding all environmental
21 impact statements as expressed by the public through the
22 department's public involvement process. The department shall:

23 (1) present this information to the commission in an
24 open meeting; and

25 (2) report this information on the department's
26 Internet website in a timely manner.

27 ~~SECTION 3105. (a) Decision 2207007 - Transportation~~

amended to read as follows:

2 Sec. 228.004. [~~PROMOTION OF~~] TOLL PROJECT INFORMATION.

3 (a) The department may, notwithstanding Chapter 2113, Government
4 Code, engage in marketing, advertising, and other activities to
5 provide information relating to the status of pending or ongoing
6 ~~[promote the development and use of]~~ toll projects, and may enter
7 into contracts or agreements necessary to procure marketing,
8 advertising, or informational ~~[other promotional]~~ services from
9 outside service providers.

10 (b) This section does not authorize the department to engage
11 in marketing, advertising, or other activities for the purpose of
12 influencing public opinion about the use of toll roads or the use of
13 tolls as a financial mechanism.

14 (b) The change in law made by this section applies only to a
15 contract or agreement entered into, or renewed under Section
16 228.004, Transportation Code, as amended by this section, on or
17 after the effective date of this Act. A contract or agreement
18 entered into or renewed under that section before the effective
19 date of this Act is governed by the law in effect immediately before
20 that date, and that law is continued in effect for that purpose.

21 SECTION 3.04. Section 228.201, Transportation Code, is
22 amended by amending Subsection (a) and adding Subsection (a-1) to
23 read as follows:

24 (a) The ~~[Except as provided by Section 228.2015, the]~~
25 department may not operate a nontolled state highway or a segment of
26 a nontolled state highway as a toll project, and may not transfer
27 highway or segment to another entity for operation as a toll

project, unless:

2 (1) ~~[the commission by order designated the highway or~~
3 ~~segment as a toll project before the contract to construct the~~
4 ~~highway or segment was awarded;~~

5 ~~[(2)]~~ the highway or segment was open to traffic as a
6 turnpike project on or before September 1, 2005;

7 ~~(2)~~ ~~[(3)]~~ the project was designated as a toll project
8 in a plan or program of a metropolitan planning organization on or
9 before September 1, 2005 which included the planned future
10 extension of the Dallas North Tollway in Grayson County;

11 ~~(3)~~ ~~[(4)]~~ the highway ~~[or segment]~~ is reconstructed so
12 that the number of nontolled lanes of the highway ~~[or segment]~~ is
13 greater than or equal to the number in existence before the
14 reconstruction; or

15 ~~(4)~~ ~~[(5)]~~ a facility ~~is~~ constructed adjacent to the
16 highway or segment so that the number of nontolled lanes on the
17 converted highway or segment and the adjacent facility together is
18 greater than or equal to the number in existence on the converted
19 highway or segment before the conversion;

20 ~~(5)~~ ~~[(6)]~~ subject to Subsection (b) the highway or
21 segment was open to traffic as a high-occupancy vehicle lane on May
22 1, 2005 ~~[, or~~

23 ~~(7)~~ the commission converts the highway or segment to
24 a toll facility by:

25 ~~[(A)]~~ making the determination required by
26 Section 228.202;

27 ~~[(B)]~~ conducting the hearing required by Section

228.203, and

2 [~~(C) obtaining county and voter approval as~~
3 ~~required by Sections 228.207 and 228.208~~].

4 (a-1) Subsection (a) does not apply to a port of entry, as
5 defined by Section 621.001.

6 SECTION 3.05. Sections 228.202, 228.203, 228.207, and
7 228.208, Transportation Code, are repealed.

8 SECTION 3.06. The change in law made by this Act to
9 Subchapter E, Chapter 228, Transportation Code, applies only to
10 contract for the construction of a highway or segment of a highway
11 that the Texas Department of Transportation enters into on or after
12 the effective date of this Act. A contract for the construction of
13 a highway or segment of a highway entered into before the effective
14 date of this Act is governed by the law in effect on the date the
15 contract was entered into, and that law is continued in effect for
16 that purpose.

17 SECTION 3.07. Section 228.004, Transportation Code, is
18 amended to read as follows:

19 Sec. 228.004. [PROMOTION OF] TOLL PROJECT INFORMATION. (1)
20 The department may, notwithstanding Chapter 2113, Government Code,
21 engage in ~~[marketing,]~~ advertising[,] and other activities to
22 provide information relating to pending or operating ~~[promote the~~
23 ~~development and use of]~~ toll projects, including providing
24 information concerning the methods of paying and collecting tolls
25 and may enter into contracts or agreements necessary to procure
26 ~~[marketing,]~~ advertising[~~ing~~] or informational ~~[other promotional]~~ al-
27 services from outside service providers.

1 **(b) This section does not authorize the department to engage**
2 **in advertising or other activities for the purpose of influencing**
3 **public opinion about the use of toll roads or the use of toll as a**
4 **financial mechanism.**

5 SECTION 3.08. The change in law made by this Act applies
6 only to a contract or agreement entered into or renewed under
7 Section 228.004, Transportation Code, on or after the effective
8 date of this Act. A contract or agreement entered into or renewed
9 under that section before the effective date of this Act is governed
10 by the law in effect immediately before that date, and that law is
11 continued in effect for that purpose.

12 SECTION 3.09. Section 228.002(b), Transportation Code, is
13 amended to read as follows:

14 (b) The department shall hold money in a subaccount in trust
15 for the benefit of the region in which a project or system is
16 located and may enter into an agreement or agreements with a council
17 of governments or a similar planning agency for the region under
18 which the council of governments or similar agency receives,
19 manages, and distributes the money to entities in the region that
20 are authorized to construct, maintain, or operate projects that are
21 eligible for funding with that money [~~assign the responsibility for~~
22 ~~allocating money in a subaccount to a metropolitan planning~~
23 ~~organization in which the region is located~~]. Except as provided by
24 Subsection (c), money shall be allocated to projects authorized by
25 Section 228.0055 or Section 228.006, as applicable.

26 ARTICLE 4. CONTRACTING FUNCTIONS

27 SECTION 4.01. Subchapter A, Chapter 223, Transportation

29-1 decisions made by the department; and
 29-2 (B) providing clear information to the public
 29-3 about specific outcomes of public input; and
 29-4 (4) apply to all public input with the department,
 29-5 including input:
 29-6 (A) on statewide transportation policy-making;
 29-7 (B) in connection with the environmental process
 29-8 relating to specific projects; and
 29-9 (C) into the department's rulemaking procedures.
 29-10 (b) The department shall document the ratio of positive
 29-11 public input to negative public input regarding all environmental
 29-12 impact statements as expressed by the public through the
 29-13 department's public involvement process. The department shall:
 29-14 (1) present this information to the commission in an
 29-15 open meeting; and
 29-16 (2) report this information on the department's

29-18 SECTION 3.04. Subchapter B, Chapter 203, Transportation
 29-19 Code, is repealed.

29-20 ARTICLE 4. CONTRACTING FUNCTIONS

29-21 SECTION 4.01. Section 223.002, Transportation Code, is
 29-22 amended to read as follows:

29-23 Sec. 223.002. NOTICE OF BIDS [BY PUBLICATION]. ~~[(a)]~~ The
 29-24 department shall give [publish] notice to interested persons
 29-25 regarding [of] the time and place at which bids on a contract will
 29-26 be opened and the contract awarded. The department by rule shall
 29-27 determine the most effective method for providing the notice
 29-28 required by this section.

29-29 ~~[(b)]~~ The notice must be published in a newspaper published
 29-30 in the county in which the improvement is to be made once a week for
 29-31 at least two weeks before the time set for awarding the contract and
 29-32 in two other newspapers that the department may designate.

29-33 ~~[(c)]~~ Instead of the notice required by Subsection (b), if
 29-34 the department estimates that the contract involves an amount less
 29-35 than \$300,000, notice may be published in two successive issues of a
 29-36 newspaper published in the county in which the improvement is to be
 29-37 made.

29-38 ~~[(d)]~~ If a newspaper is not published in the county in which
 29-39 the improvement is to be made, notice shall be published in a
 29-40 newspaper published in the county:

- 29-41 [(1)] nearest the county seat of the county in which the
- 29-42 improvement is to be made; and
- 29-43 [(2)] in which a newspaper is published.]

29-44 SECTION 4.02. Section 223.205, Transportation Code, is
 29-45 amended by amending Subsections (a), (b), (d), (f), and (g) and
 29-46 adding Subsections (h) and (i) to read as follows:

29-47 (a) The [Notwithstanding Section 223.006 and the
 29-48 requirements of Subchapter B, Chapter 203, Government Code, the]
 29-49 department shall require a private entity entering into a
 29-50 comprehensive development agreement under this subchapter to
 29-51 provide a performance and payment bond or an alternative form of
 29-52 security, or a combination of forms of security, in an amount as
 29-53 determined by the department that is sufficient to:

- 29-54 (1) ensure the proper performance of the construction
- 29-55 work to be performed under the agreement; and
- 29-56 (2) protect:

- 29-57 (A) the department; and
- 29-58 (B) payment bond beneficiaries who have a direct
- 29-59 contractual relationship with the private entity or a subcontractor
- 29-60 of the private entity to supply labor or material for the
- 29-61 construction work.

29-62 (b) A performance and payment bond or alternative form of
 29-63 security shall be in an amount equal to the cost of constructing [ex-
 29-64 cept maintaining] the project.

29-65 (d) A [payment or performance] bond or alternative form of
 29-66 security is not required for the portion of an agreement that is for
 29-67 [includes] only design or planning services, the performance of
 29-68 preliminary studies, [or] the acquisition of real property,
 29-69 maintenance, or operations.

29- decisions made by the department; and
29- (B) providing clear information to the public
29- about specific outcomes of public input; and
29- (4) apply to all public input with the department,
29- including input on statewide transportation policy-making;
29- (B) in connection with the environmental process
29- relating to specific projects; and
29- (C) into the department's rulemaking procedures.
29- (b) The department shall determine the ratio of positive
29- public input to negative public input regarding all environmental
29- impact statements as expressed by the public through the
29- department's public involvement process. The department shall:
29- (1) present this information to the commission in an
29- open meeting;
29- (2) report this information on the department's
29- Internet website in a timely manner.

29- SECTION 3.04. Subchapter B, Chapter 203, Transportation

29- ARTICLE 4. CONTRACTING FUNCTIONS

29-21 SECTION 4.01. Section 223.002, Transportation Code, is
29-22 amended to read as follows:

29-23 Sec. 223.002. NOTICE OF BIDS [BY PUBLICATION]. [~~(a)~~] The
29-24 department shall give [~~publish~~] notice to interested persons
29-25 regarding [~~of~~] the time and place at which bids on a contract will
29-26 be opened and the contract awarded. The department by rule shall
29-27 determine the most effective method for providing the notice
29-28 required by this section.

29-29 [~~(b)~~] The notice must be published in a newspaper published
29-30 in the county in which the improvement is to be made once a week for
29-31 at least two weeks before the time set for awarding the contract and
29-32 in two other newspapers that the department may designate.

29-33 [~~(c)~~] Instead of the notice required by Subsection (b), if
29-34 the department estimates that the contract involves an amount less
29-35 than \$300,000, notice may be published in two successive issues of a
29-36 newspaper published in the county in which the improvement is to be
29-37 made.

29-38 [~~(d)~~] If a newspaper is not published in the county in which
29-39 the improvement is to be made, notice shall be published in a
29-40 newspaper published in the county:

- 29-41 [(1) nearest the county seat of the county in which the
29-42 improvement is to be made, and
29-43 [(2) in which a newspaper is published.]

29-44 SECTION 4.02. Section 223.205, Transportation Code, is
29-45 amended by amending Subsections (a), (b), (d), (f), and (g) and
29-46 adding Subsections (h) and (i) to read as follows:

29-47 (a) The [~~Notwithstanding Section 223.006 and the~~
29-48 requirements of Subchapter B, Chapter 2253, Government Code, the]
29-49 department shall require a private entity entering into a
29-50 comprehensive development agreement under this subchapter to
29-51 provide a performance and payment bond or an alternative form of
29-52 security, or a combination of forms of security, in an amount as
29-53 determined by the department that is sufficient to:

29-54 (1) ensure the proper performance of the construction
29-55 work to be performed under the agreement; and

29-56 (2) protect:

- 29-57 (A) the department; and
29-58 (B) payment bond beneficiaries who have a direct
29-59 contractual relationship with the private entity or a subcontractor
29-60 of the private entity to supply labor or material for the
29-61 construction work.

29-62 (b) A performance and payment bond or alternative form of
29-63 security shall be in an amount equal to the cost of constructing [~~or~~
29-64 maintaining] the project.

29-65 (d) A [~~payment or performance~~] bond or alternative form of
29-66 security is not required for the portion of an agreement that is for
29-67 [~~includes~~] only design or planning services, the performance of
29-68 preliminary studies, [~~or~~] the acquisition of real property,
29-69 maintenance, or operations.

30-1 (f) ~~The [In addition to or instead of a performance and~~
30-2 ~~payment bond, the]~~ department may require one or more of the
30-3 following alternative forms of security:

30-4 (1) a cashier's check drawn on a financial entity
30-5 specified by the department;

30-6 (2) a United States bond or note;

30-7 (3) an irrevocable bank letter of credit; ~~[or]~~

30-8 (4) debt and equity contributed by the private entity
30-9 that is not recoverable in the event of termination of the agreement
30-10 because of the private entity's breach; or

30-11 (5) any other form of security determined suitable by
30-12 the department.

30-13 (g) The commission ~~[department]~~ by rule shall prescribe
30-14 requirements for an alternative form of security provided under
30-15 this section.

30-16 (h) Section 223.006 of this code and Chapter 2253,
30-17 Government Code, do not apply to a bond or alternative form of
30-18 security required under this section.

30-19 (i) The commission shall prepare and file annually with the
30-20 governor, the lieutenant governor, and the Legislative Budget Board
30-21 a report providing information on the operations of highway
30-22 projects for which a comprehensive development has been entered
30-23 into with a private entity.

agreement

30-24 Code, are amended to read as follows:

30-25 (a) ~~The [Subject to Section 223.202, the]~~ department may
30-26 enter into a comprehensive development agreement with a private
30-27 entity to design, develop, finance, construct, maintain, repair,
30-28 operate, extend, or expand a:

30-29 (1) state highway [toll project]; or

30-30 (2) facility, as defined by Section 227.001, or
30-31 combination of facilities on the Trans-Texas Corridor [or

30-32 combination of facilities on the Trans-Texas Corridor];
30-33 ~~[(3) state highway improvement project that include~~
30-34 ~~both toll and nontolled lanes and may include nontolled~~
30-35 ~~appurtenant facilities;~~

30-36 ~~(4) state highway improvement project in which the~~
30-37 ~~private entity has an interest in the project; or~~

30-38 ~~[(5) state highway improvement project finance~~
30-39 ~~wholly or partly with the proceeds of private activity bonds, as~~
30-40 ~~defined by Section 11(a), Internal Revenue Code of 1986].~~

30-41 (g) The department may combine in a comprehensive
30-42 development agreement under this subchapter a state highway [toll
30-43 project] and a rail facility as defined by Section 91.001.

30-44 SECTION 4.04. Section 223.203(2), Transportation Code
30-45 is amended to read as follows:

30-46 (e-2) In this section, "design-build contract" means
30-47 comprehensive development agreement that includes the design and
30-48 construction of a ~~[turnpike] project~~, does not include the
30-49 financing of a ~~[turnpike] project~~ and may include the acquisition,
30-50 maintenance, or operation of a ~~[turnpike] project~~.

30-51 SECTION 4.05. Section 223.203(m), Transportation Code, is
30-52 amended to read as follows:

30-53 (m) The department may pay an unsuccessful private entity
30-54 that submits a responsive proposal in response to a request for
30-55 detailed proposals under Subsection (f) a stipulated amount in
30-56 exchange for the work product contained in that proposal. A
30-57 stipulated amount must be stated in the request for proposals and
30-58 may not exceed the value of any work product contained in the
30-59 proposal that can be determined by the department. The use by the
30-60 department in the performance of its functions, or the use by the
30-61 department of any design element contained in an unsuccessful
30-62 proposal is subject to the private entity's acceptance of the
30-63 stipulated amount, is at the sole risk and discretion of the
30-64 department, and does not confer liability on the recipient of the
30-65 stipulated amount under this section. After acceptance and payment
30-66 of the stipulated amount:

30-67 (1) the department owns with the unsuccessful proposer
30-68 jointly the rights to, and may make use of any work product
30-69 contained in the proposal.

1 SECTION 4.03. Section 223.201, Transportation Code, is
2 amended by amending Subsections (a) and (g) and adding
3 Subsection (j) to read as follows:

4 (a) Subject to Section 223.202, the department may enter
5 into a comprehensive development agreement with a private entity
6 to design, develop, finance, construct, maintain, repair,
7 operate, extend, or expand a state highway [+

8 [~~(1) toll project,~~

9 [~~(2) facility or a combination of facilities on the
10 Trans Texas Corridor,~~

11 [~~(3) state highway improvement project that includes
12 both tolled and nontolled lanes and may include nontolled
13 appurtenant facilities,~~

14 [~~(4) state highway improvement project in which the
15 private entity has an interest in the project, or~~

16 [~~(5) state highway improvement project financed
17 wholly or partly with the proceeds of private activity bonds, as
18 defined by Section 141(a), Internal Revenue Code of 1986].~~

19 (g) The department may combine in a comprehensive
20 development agreement under this subchapter a state highway
21 [~~toll project~~] and a rail facility as defined by Section 91.001.

22 (j) Notwithstanding any other law to the contrary:

23 (1) the department's authority to enter into a
24 comprehensive development agreement and any related facility
25 agreement, whether under this section or any other law, is
26 limited to highway, road, and rail projects, and may not be
27 considered to extend to projects involving public utilities or
28 any other facility that is not a highway, road, or rail

1 facility; and

2 (2) except in connection with any existing rights
3 granted to a private entity with respect to the State Highway
4 130 project, the department may not charge any fee or grant a
5 private entity the right to charge or collect any fee in
6 connection with a comprehensive development agreement or any
7 related agreement under Chapter 227 or any successor law in
8 connection with any facility that is not a highway, road, or
9 rail facility, including a public utility facility.

30-4 ~~in addition to or instead of~~ payment bond, the] department may require one or more of
30-5 following alternative forms of security:

- 30-6 (1) a cashier's check drawn on a financial institution
- 30-7 specified by the department;
- 30-8 (2) a United States bond or note;
- 30-9 (3) an irrevocable bank letter of credit; []
- 30-10 (4) debt and equity contributed by the private entity
- 30-11 that is not recoverable in the event of termination of the agreement
- 30-12 because of the private entity's breach; or
- 30-13 (5) any other form of security determined suitable by
- 30-14 the department.

30-15 (g) The commission [department] by rule shall prescribe
30-16 requirements for an alternative form of security provided under
30-17 this section.

30-18 (h) Section 223.006 of this code and Chapter 2253
30-19 Government Code, do not apply to a bond or alternative form of
30-20 security required under this section.

30-21 (i) The commission shall prepare and file annually with the
30-22 governor, the lieutenant governor, and the Legislative Budget Board
30-23 a report providing information on the operations of highway
30-24 projects for which a comprehensive development has been entered
30-25 into with a private entity.

30-26 SECTION 4.03. Sections 223.202(a) and (g), Transportation
30-27 Code, are amended to read as follows:

30-28 (a) The [Subject to Section 223.202, the] department may
30-29 enter into a comprehensive development agreement with a private
30-30 entity to design, develop, finance, construct, maintain, repair,
30-31 operate, extend, or expand a:

- 30-32 (1) ~~state highway [toll project];~~
- 30-33 (2) ~~facility, as defined by Section 227.001, or a~~
- 30-34 ~~combination of facilities on the Trans-Texas Corridor [~~
- 30-35 ~~both toll and nontolled lanes and may include nontolled~~
- 30-36 ~~appurtenant facilities;~~
- 30-37 (4) ~~state highway improvement project in which the~~
- 30-38 ~~private entity has an interest in the project; or~~
- 30-39 (5) ~~state highway improvement project financed~~
- 30-40 ~~wholly or partly with the proceeds of private activity bonds as~~
- 30-41 ~~defined by Section 141(a), Internal Revenue Code of 1986].~~

30-42 (g) The department may combine in a comprehensive
30-43 development agreement under this subchapter a state highway [to

30-44 SECTION 4.04. Section 223.203(e-2), Transportation Code,
30-45 is amended to read as follows:

30-46 (e-2) In this section, "design-build contract" means a
30-47 comprehensive development agreement that includes the design and
30-48 construction of a [turnpike] project, does not include the
30-49 financing of a [turnpike] project, and may include the acquisition,
30-50 maintenance, or operation of a [turnpike] project.

30-51 SECTION 4.05. Section 223.203(m), Transportation Code, is
30-52 amended to read as follows:

30-53 (m) The department may pay an unsuccessful private entity
30-54 that submits a responsive proposal in response to a request for
30-55 detailed proposals under Subsection (f) a stipulated amount in
30-56 exchange for the work product contained in that proposal. A
30-57 stipulated amount must be stated in the request for proposals and
30-58 may not exceed the value of any work product contained in the
30-59 proposal that can, as determined by the department, be used by the
30-60 department in the performance of its functions. The use by the
30-61 department of any design element contained in an unsuccessful
30-62 proposal is subject to the private entity's acceptance of the
30-63 stipulated amount, is at the sole risk and discretion of the
30-64 department, and does not confer liability on the recipient of the
30-65 stipulated amount under this section. After acceptance and payment
30-66 of the stipulated amount:

30-67 (1) the department owns with the unsuccessful proposer
30-68 jointly the rights to, and may make use of any work product
30-69 contained in, the proposal, including the technologies,

lesser of one-half of one percent of
the contract amount and

31-1 techniques, methods, processes, ideas, and information contained
31-2 in the project design; and

31-3 (2) the use by the unsuccessful proposer of any
31-4 portion of the work product contained in the proposal is at the sole
31-5 risk of the unsuccessful proposer and does not confer liability on
31-6 the department.

31-7 SECTION 4.06. Section 223.208(e), Transportation Code, is
31-8 amended to read as follows:

31-9 (e) Notwithstanding anything in Section 201.112 or other
31-10 law to the contrary, and subject to compliance with the dispute
31-11 resolution procedures set out in the comprehensive development
31-12 agreement, an obligation of the commission or the department under
31-13 a comprehensive development agreement entered into under this
31-14 subchapter ~~for Section 227.023(e)~~ to make or secure payments to a
31-15 person because of the termination of the agreement, including the
31-16 purchase of the interest of a private participant or other investor
31-17 in a project, may be enforced by mandamus against the commission,
31-18 the department, and the comptroller in a district court of Travis
31-19 County, and the sovereign immunity of the state is waived for that
31-20 purpose. The district courts of Travis County shall have exclusive
31-21 jurisdiction and venue over and to determine and adjudicate all
31-22 issues necessary to adjudicate any action brought under this
31-23 subsection. The remedy provided by this subsection is in addition
31-24 to any legal and equitable remedies that may be available to a party
31-25 to a comprehensive development agreement. This subsection does not
31-26 apply to a design-build contract, as defined by Section
31-27 223.203(e-2), for a nontolled facility.

31-28 SECTION 4.07. Section 223.206(b), Transportation Code, is
31-29 amended to read as follows:

31-30 (b) Notwithstanding Subsection (a), the department may
31-31 enter into an agreement that provides for the lease of
31-32 rights-of-way, the granting of easements, the issuance of
31-33 franchises, licenses, or permits, or any lawful uses to enable a
31-34 private entity to construct, operate, and maintain a project,
31-35 including supplemental facilities. At the termination of the
31-36 agreement, the highway or other facilities are to be in a state of
31-37 proper maintenance as determined by the department and ~~shall be~~
31-38 returned to the department in satisfactory condition at no further
31-39 cost other than any compensation the department agrees to pay on an
31-40 early termination of the agreement. In lieu of the private entity's
31-41 performing necessary maintenance, repair, or renewal work before
31-42 returning the highway or other facilities to the department, the
31-43 agreement may require payment to the department in the amount the
31-44 department determines to be appropriate to fund maintenance,
31-45 repair, or renewal work that is scheduled to occur subsequent to
31-46 termination of the agreement.

31-47 SECTION 4.08. Subchapter 271, Chapter 271, Transportation
31-48 Code, as added by Chapter 264 (S.B. 792), Acts of the 80th
31-49 Legislature, Regular Session, 2007, is amended by adding Section
31-50 371.105 to read as follows:

31-51 371.105. PROHIBITION AGAINST CONCESSION PAYMENTS
31-52 REVENUE SHARING. (a) In this section, "concession payment" means
31-53 an up-front payment made by a private participant in return for
31-54 which the private participant is granted a right to operate and
31-55 receive revenue from a toll project.

31-56 (b) A toll project entity is prohibited from accepting
31-57 concession payment as part of a comprehensive development
31-58 agreement.

31-59 (c) A toll project entity may enter into a revenue sharing
31-60 agreement with a private participant as part of a comprehensive
31-61 development agreement.

31-62 (d) This section does not apply to:

31-63 (1) the State Highway 161 project from State Highway
31-64 183 to Interstate Highway 20 in Dallas County;

31-65 (2) the United States Highway 281 project in Bexar
31-66 County from Loop 1604 to the Comal County line;

31-67 (3) the Loop 49 project from Interstate Highway 20
31-68 to State Highway 110 in Smith County;

31-69

[REDACTED]

2 SECTION 4.08. (a) Subchapter E, Chapter 223,
3 Transportation Code, is amended by adding Sections 223.211, to read
4 as follows: 223.212, and 223.213

5 Sec. 223.211. APPROVAL AND CERTIFICATION. A comprehensive
6 development agreement, including a facility agreement under a
7 comprehensive development agreement, under which a private entity
8 will operate a toll project or be entitled to receive revenue from
9 the project must be:

10 (1) reviewed by the attorney general for legal
11 sufficiency under Section 371.051, as added by Chapter 264 (S.B.
12 792), Acts of the 80th Legislature, Regular Session, 2007 [REDACTED]

13 [REDACTED];

14 (2) reviewed by the comptroller for financial
15 viability and signed and certified by the comptroller if approved;

16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED] The entity may not
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]

23 [REDACTED] and
24 (3) ³ signed by the Chair of the Commission
~~Commission~~.

25 [REDACTED]
26 [REDACTED]
27 [REDACTED]

1 ~~SECTION 4.05. Subchapter E, Chapter 223, Transportation~~

2 ~~Section 2262.003, Government Code, is amended by adding Subsection (c) to read as follows:~~

3 ~~(c) Notwithstanding Section 2262.001 or 2262.002, this~~
4 ~~section applies to contracts of the Texas Department of~~
5 ~~Transportation that relate to highway construction or highway~~
6 ~~engineering.~~

7 ~~(b) The change in law made by this section applies only to a~~
8 ~~contract by the Texas Department of Transportation for which the~~
9 ~~solicitation of bids or proposals or similar expressions of~~
10 ~~interest is published on or after September 1, 2009. A contract for~~
11 ~~which the solicitation of bids or proposals or similar expressions~~
12 ~~of interest was published before September 1, 2009, is governed by~~
13 ~~the law in effect on the date the Texas Department of Transportation~~
14 ~~first published the solicitation of bids or proposals or similar~~
15 ~~expressions of interest, and the former law is continued in effect~~
16 ~~for that purpose.~~

17 ~~SECTION 4.05. Subchapter E, Chapter 223, Transportation~~

18 ~~Sec. 223.219. PROHIBITION AGAINST NONCOMPETITION~~

19 ~~PROVISIONS. ^{Except as provided by} ~~Notwithstanding~~ Section 371.103(b), the department~~
20 ~~may not enter into a comprehensive development agreement for a toll~~
21 ~~project, including a managed lane, that contains a provision that~~
22 ~~limits or prohibits the construction, reconstruction, expansion,~~
23 ~~rehabilitation, operation, or maintenance of a nontolled highway by~~
24 ~~the department or a provision that requires the department to~~
25 ~~reimburse a private entity for the loss of toll revenue~~
26
27

1 attributable to the construction of a nontolled highway.

ended to read as follows:

(d) In this section, "state official" means:

- (1) a member of the legislature;
- (2) the governor;
- (3) the lieutenant governor;
- (4) a justice of the supreme court;
- (5) a judge of the court of criminal appeals;
- (6) the attorney general;
- (7) the commissioner of the General Land Office;
- (8) the comptroller;
- (9) a member of the Railroad Commission of Texas;
- (10) the commissioner of agriculture;
- (11) the commissions of transportation;
- (12) the secretary of state; or
- (13) [~~(12)~~] a member of the State Board of Education.

ARTICLE 5. REGULATION OF MOTOR VEHICLE DEALERS, SALVAGE VEHICLE

DEALERS AND HOUSEHOLD GOODS CARRIERS

SECTION 5.001 (a) Section 643.153, Transportation Code, is amended by amending Subsection (b) and adding Subsections (c), (d), and (i) to read as follows:

(b) The department may adopt rules necessary to ensure that a customer of a motor carrier transporting household goods is protected from deceptive or unfair practices and unreasonably hazardous activities. The rules must:

(b) The change in law made by Section 223.211, Transportation Code, as added by this Act section, applies only to a comprehensive development agreement entered into on or after the effective date of this Act.

~~(b) [The department] shall develop up-to-date procedures for participation in negotiations of this subchapter.~~

~~(c) [The department] shall allow a toll project entity has exclusive judgment to determine the terms of an agreement.~~

~~Sec. 371.310. LICABILITY. Notwithstanding any provision of this subchapter to the contrary, a restriction on the department in connection with a comprehensive development~~

11 Sec. ~~371.311~~^{223.213}. ADVISORS, CONSULTANTS, AUDITORS, AND OTHER
12 EXPERTS. (a) This section does not apply to a third party
13 performing a market valuation for a toll project that is governed by
14 Section 228.0111(f-3).

15 (b) A person may not serve as a consultant or an advisor,
16 auditor, or other expert ^{for the department} in connection with a comprehensive
17 development agreement or other public-private partnership if the
18 person or the person's affiliates have a financial interest in the
19 comprehensive development agreement or public-private partnership.

~~PROVIDE. Notwithstanding Section 371.103(b), a toll project entity may not enter into a comprehensive development agreement for a toll project, including a project that contains a provision that limits or prohibits the construction, reconstruction, expansion, rehabilitation, operation, or maintenance of a highway by the toll project entity or a provision that requires the toll project~~

"may".

2 (5) In SECTION 2.12 of the bill, added Section 2.153(a),
3 Transportation Code (page 25, line 52), strike "must" and
4 substitute "may".

5 (6) In SECTION 3.01 of the bill, added Section 201.605(i),
6 Transportation Code (page 27), strike lines 34 through 36 and
7 substitute the following:

8 (i) The commission by rule shall provide for notice to
9 owners of adjoining property and affected local governments and
10 public officials and provide an opportunity for comment on a state
11 highway project

12 (7) In SECTION 4.03 of the bill, amended Section 223.201(a),
13 Transportation Code (page 30), strike lines 29 through 32 and
14 substitute the following:

15 operate, extend or expand a state highway

16 ~~(1) toll project,~~

17 ~~[(2) facility or a combination of facilities on the~~
18 ~~Trans-Texas Corridor,~~

19 (8) Add the following appropriately numbered SECTION to
20 ARTICLE 4 of the bill and renumber subsequent SECTIONS of that
21 article accordingly.

22 SECTION 4.09. Subchapter E, Chapter 223, Transportation
23 Code, is amended by adding Section 223.2011 to read as follows:

24 Sec. 223.2011. COMPREHENSIVE DEVELOPMENT AGREEMENTS IN
25 CERTAIN COUNTIES FOR CERTAIN PROJECTS. (a) In this section,
26 "region" means a county with a population of 3.3 million or more and
27 the counties adjacent to that county.

28 (b) This section applies only to:

29 (1) the portion of IH 69 and any successor project
30 located in:

31 (A) a county with a population of 3.3 million or

1 more; or

2 (B) any adjacent county;

3 (2) a comprehensive development agreement or related
4 agreement entered into by the department in connection with the
5 project under Subdivision (1); and

6 (3) a toll project or other project in the region the
7 revenues or assets of which are to be used in connection with the
8 financing of a project under Subdivision (1).

9 (c) Any payments, project savings, refinancing dividends,
10 and any other revenue, including surplus revenue, received by the
11 commission or the department under the comprehensive development
12 agreement or any related agreement, and any revenue attributable to
13 any toll project or other project in the region described by
14 Subsection (b)(3), may be used only to pay the costs or to finance
15 the construction, maintenance, or operation of transportation
16 projects or air quality projects in the region.

17 (d) The private entity that is a party to the comprehensive
18 development agreement does not have any right under the agreement
19 or any related agreement that conflicts with, infringes on, or
20 impairs the rights of any county with respect to the development or
21 operation of any project under Section 228.011 or 228.0111 or other
22 applicable law that provides for a process under which the county
23 has the first option to develop and operate a project.

24 (e) A comprehensive development agreement and any related
25 agreement that includes a provision that grants a private entity
26 the right to finance and develop a toll project in the region or to
27 collect and receive toll revenue from a toll project in the region
28 is not effective unless the agreement complies with this section.

29 ~~In SECTION 4.06 of the bill, amend Section 225.208(e),~~
30 ~~Transportation Code (line 14), strike "or Section~~
31 ~~227.023(c)" and substitute "[or Section 227.023(e)]."~~

4.10

1 SECTION ~~4.09~~. The changes in law made by this Act to
2 Sections 223.201(a), 223.208(e), and 223.208(f), Transportation
3 Code, do not apply to the State Highway 130, Segments 5 and 6
4 project. An agreement entered into for that project is governed
5 by the law in effect on the date the agreement was entered into,
6 and the former law is continued in effect for that purpose.

1 attributable to the construction of a nontolled highway.

2 SECTION 4.06. Section 504.401(d), Transportation Code, is
3 amended to read as follows:

4 (d) In this section, "state official" means:

- 5 (1) a member of the legislature;
- 6 (2) the governor;
- 7 (3) the lieutenant governor;
- 8 (4) a justice of the supreme court;
- 9 (5) a judge of the court of criminal appeals;
- 10 (6) the attorney general;
- 11 (7) the commissioner of the General Land Office;
- 12 (8) the comptroller;
- 13 (9) a member of the Railroad Commission of Texas;
- 14 (10) the commissioner of agriculture;
- 15 (11) the commissioners of transportation;
- 16 (12) the secretary of state; or
- 17 (13) ~~[(12)]~~ a member of the State Board of Education.

18 ARTICLE 5. REGULATION OF MOTOR VEHICLE DEALERS, SALVAGE VEHICLE
19 DEALERS, AND HOUSEHOLD GOODS CARRIERS

20 SECTION 5.01. (a) Section 643.153, Transportation Code, is
21 amended by amending Subsection (b) and adding Subsections (c), (h),
22 and (i) to read as follows:

23 (b) The department may adopt rules necessary to ensure that
24 a customer of a motor carrier transporting household goods is
25 protected from deceptive or unfair practices and unreasonably
26 hazardous activities. The rules must:

- 27 (1) establish a formal process for resolving a dispute

1 over a fee or damage;

2 (2) require a motor carrier to indicate clearly to a
3 customer whether an estimate is binding or nonbinding and disclose
4 the maximum price a customer could be required to pay;

5 (3) create a centralized process for making complaints
6 about a motor carrier that also allows a customer to inquire about a
7 carrier's complaint record; ~~and~~

8 (4) require a motor carrier transporting household
9 goods to list a place of business with a street address in this
10 state and the carrier's registration number issued under this
11 article in any print advertising published in this state; and

12 (5) require a motor carrier transporting household
13 goods to submit to the department, at the time of the original motor
14 carrier registration and at the renewal of the registration,
15 documentation on whether the motor carrier:

16 (A) regularly requests and obtains criminal
17 history record information on its employees under Chapter 145,
18 Civil Practice and Remedies Code; and

19 (B) uses the criminal history record information
20 to exclude from employment persons who have committed a serious
21 criminal offense.

22 (c) The department shall make available to the public on the
23 department's Internet website the information received under
24 Subsection (b)(5) to allow members of the public to make an informed
25 choice when selecting a motor carrier to transport household goods.

26 (h) Subject to Subsection (i), the department may order a
27 motor carrier that transports household goods to pay a refund to a

1 customer as provided in an agreement resulting from an informal
2 settlement instead of or in addition to imposing an administrative
3 penalty under this chapter.

4 (i) The amount of a refund ordered as provided in an
5 agreement resulting from an informal settlement may not exceed the
6 amount the customer paid to the motor carrier for a service or the
7 amount the customer paid for an item damaged by the motor carrier,
8 without requiring an estimation of the actual cost of the damage.
9 The department may not require payment of other damages or estimate
10 harm in a refund order.

11 (b) The change in law made by Sections 643.153(h) and (i),
12 Transportation Code, as added by this section, applies only to an
13 agreement to transport household goods entered into on or after the
14 effective date of this Act. An agreement to transport household
15 goods entered into before the effective date of this Act is governed
16 by the law in effect immediately before that date, and that law is
17 continued in effect for that purpose.

18 SECTION 5.02. (a) Section 643.251(b), Transportation Code,
19 is amended to read as follows:

20 (b) Except as provided by this section, the amount of an
21 administrative penalty may not exceed \$5,000. If it is found that
22 the motor carrier knowingly committed the violation, the penalty
23 may not exceed \$15,000. [~~If it is found that the motor carrier~~
24 ~~knowingly committed multiple violations, the aggregate penalty for~~
25 ~~the multiple violations may not exceed \$30,000.] Each day a
26 violation continues or occurs is a separate violation for purposes
27 of imposing a penalty.~~

1 (b) The change in law made by this section to Section
2 643.251, Transportation Code, applies only to a violation committed
3 by a motor carrier on or after the effective date of this Act. For
4 purposes of this subsection, a violation was committed before the
5 effective date of this Act if any element of the violation was
6 committed before that date. A violation committed by a motor
7 carrier before the effective date of this Act is covered by the law
8 in effect on the date the violation was committed, and the former
9 law is continued in effect for that purpose.

10 SECTION 5.03. Subchapter F, Chapter 643, Transportation
11 Code, is amended by adding Sections 643.256 and 643.257 to read as
12 follows:

13 Sec. 643.256. SUMMARY SUSPENSION. (a) The department may
14 summarily suspend the registration of a motor carrier registered
15 under this chapter if the motor carrier's failure to comply with
16 this chapter or a rule adopted under this chapter is determined by
17 the department to constitute a continuing and imminent threat to
18 the public safety and welfare.

19 (b) To initiate a proceeding to take action under Subsection
20 (a), the department must serve notice on the motor carrier. The
21 notice must:

22 (1) state the grounds for summary suspension;

23 (2) be personally served on the motor carrier or sent
24 to the motor carrier by certified or registered mail, return
25 receipt requested, to the motor carrier's mailing address as it
26 appears in the department's records; and

27 (3) inform the motor carrier of the right to a hearing

1 on the suspension.

2 (c) The suspension is effective on the date notice is
3 personally served or received by mail. The motor carrier is
4 entitled to appeal the suspension in the manner provided by Section
5 643.2525 for the appeal of an order of the board.

6 Sec. 643.257. EMERGENCY CEASE AND DESIST ORDER. (a) If it
7 appears to the board that a motor carrier who is not registered to
8 transport household goods for compensation under Section 643.051 is
9 violating this chapter, a rule adopted under this chapter, or
10 another state statute or rule relating to the transportation of
11 household goods and the board determines that the unauthorized
12 activity constitutes a clear, imminent, or continuing threat to the
13 public health and safety, the board may:

14 (1) issue an emergency cease and desist order
15 prohibiting the motor carrier from engaging in the activity; and

16 (2) report the activity to a local law enforcement
17 agency or the attorney general for prosecution.

18 (b) An order issued under Subsection (a) must:

19 (1) be delivered on issuance to the motor carrier
20 affected by the order by personal delivery or registered or
21 certified mail, return receipt requested, to the motor carrier's
22 last known address;

23 (2) state the acts or practices alleged to be an
24 unauthorized activity and require the motor carrier immediately to
25 cease and desist from the unauthorized activity; and

26 (3) contain a notice that a request for hearing may be
27 filed under this section.

1 (c) A motor carrier against whom an emergency cease and
2 desist order is directed may request a hearing before the 11th day
3 after the date it is served on the motor carrier. If the motor
4 carrier does not request a hearing in that time, the order is final
5 and nonappealable as to that motor carrier. A request for a
6 hearing must:

7 (1) be in writing and directed to the board; and

8 (2) state the grounds for the request to set aside or
9 modify the order.

10 (d) On receiving a request for a hearing, the board shall
11 serve notice of the time and place of the hearing by personal
12 delivery or registered or certified mail, return receipt
13 requested. The hearing must be held not later than the 10th day
14 after the date the board receives the request for a hearing unless
15 the parties agree to a later hearing date. A hearing under this
16 subsection is subject to Chapter 2001, Government Code.

17 (e) After the hearing, the board shall affirm, modify, or
18 set aside wholly or partly the emergency cease and desist order. An
19 order affirming or modifying the emergency cease and desist order
20 is immediately final for purposes of enforcement and appeal.

21 (f) An order under this section continues in effect unless
22 the order is stayed by the board. The board may impose any
23 condition before granting a stay of the order.

24 (g) The board may release to the public a final cease and
25 desist order issued under this section or information regarding the
26 existence of the order if the board determines that the release
27 would enhance the effective enforcement of the order or will serve

1 the public interest.

2 (h) A violation of an order issued under this section
3 constitutes additional grounds for imposing an administrative
4 penalty under this chapter.

6 to read as follows:

7 (c) Statewide offices of the state government shall be
8 listed in the following order:

9 (1) governor;

10 (2) lieutenant governor;

11 (3) attorney general;

12 (4) comptroller of public accounts;

13 (5) commissioner of the General Land Office;

14 (6) commissioner of agriculture;

15 (7) commissioners of transportation;

16 (8) railroad commissioner;

17 (9) ~~[(8)]~~ chief justice, supreme court;

18 (10) ~~[(9)]~~ justice, supreme court;

19 (11) ~~[(10)]~~ presiding judge, court of criminal

20 appeals;

21 (12) ~~[(11)]~~ judge, court of criminal appeals.

22 SECTION 5.04. Section 2301.654, Occupations Code, is

23 amended to read as follows:

24 Sec. 2301.654. PROBATION. If a suspension of a license is
25 probated, the board may:

26 (1) require the license holder to report regularly to
27 the board on matters that are the basis of the probation; ~~[ex]~~

1 (2) limit activities to those prescribed by the board;
2 or
3 (3) require the license holder to obtain specialized
4 training so that the license holder attains a degree of skill
5 satisfactory to the board in those areas that are the basis of the
6 probation.

7 [Redacted] code, is amended by adding Sections 2301.807 and 2301.808 to read as
8 follows:

9 Sec. 2301.807. ADMINISTRATIVE PENALTY. (a) The board may
10 impose an administrative penalty on a person licensed under this
11 chapter who violates this chapter or a rule or order adopted under
12 this chapter.

13 (b) The amount of an administrative penalty imposed under
14 this section may not exceed \$5,000. Each day a violation continues
15 or occurs is a separate violation for the purpose of imposing a
16 penalty. The amount of the penalty shall be based on:

- 17 (1) the seriousness of the violation, including the
18 nature, circumstances, extent, and gravity of the violation;
- 19 (2) the economic harm to property or the environment
20 caused by the violation;
- 21 (3) the history of previous violations;
- 22 (4) the amount necessary to deter a future violation;
- 23 (5) the threat to the public safety and welfare;
- 24 (6) efforts to correct the violation; and
- 25 (7) any other matter that justice may require.

26 (c) The board by rule shall adopt a schedule of



35-1 is immediately final for purposes of enforcement and appeal.

35-3 (f) An order under this section continues in effect unless
35-4 the order is stayed by the board. The board may impose any
35-5 conditions before granting a stay of the order.

35-6 (g) The board may release to the public a final cease and
35-7 desist order issued under this section or information regarding the
35-8 existence of the order if the board determines that the release
35-9 would enhance the effective enforcement of the order or will serve
35-10 the public interest.

35-11 (h) A violation of an order issued under this section
35-12 constitutes additional grounds for imposing an administrative
35-13 penalty under this chapter.

35-14 SECTION 5.04. Section 2301.64, Occupations Code, is
35-15 amended to read as follows:

35-16 Sec. 2301.654. PROBATION. If a suspension of a license is
35-17 probated, the board may:

35-18 (1) require the license holder to report regularly to
35-19 the board on matters that are the basis of the probation. [ex]

35-20 (2) limit activities to those prescribed by the board;
35-21 or

35-22 (3) require the license holder to obtain special training
35-23 so that the license holder attains a degree of skill
35-24 satisfactory to the board in those areas that are the basis of the

35-26 SECTION 5.05. Section 2301.801, Occupations Code, is
35-27 amended by amending Subsections (a) and (c), and adding Subsections
35-28 (d), (e), (f), and (g) to read as follows:

35-29 Sec. 2301.801. ADMINISTRATIVE [CIVIL] PENALTY. (a) If,
35-30 after a proceeding under this chapter and board rules, the board
35-31 determines that a person is violating or has violated this chapter,
35-32 a rule adopted or order issued under this chapter, or Section
35-33 503.038(a), Transportation Code, the board may impose an
35-34 administrative [a civil] penalty. The amount of the penalty may not
35-35 exceed \$10,000 for each violation. Each act of violation and each
35-36 day a violation continues is a separate violation.

35-37 (c) The board by rule shall adopt a schedule of
35-38 administrative penalties based on the criteria in Subsection (b) to
35-39 ensure that the amount of a penalty imposed under this section is
35-40 appropriate to the violation [Notwithstanding any other law to the
35-41 contrary, a civil penalty recovered under this chapter shall be
35-42 deposited in the state treasury to the credit of the state highway
35-43 fund].

35-44 (d) The enforcement of an administrative penalty ordered
35-45 under this section may be stayed during the time the order is under
35-46 judicial review if the person pays the penalty to the clerk of the
35-47 court or files a supersedeas bond with the court in the amount of
35-48 the penalty. A person who cannot afford to pay the penalty or file
35-49 the bond may stay the enforcement by filing an affidavit in the
35-50 manner required by the Texas Rules of Civil Procedure for a party
35-51 who cannot afford to file security for costs, subject to the right
35-52 of the commission to contest the affidavit as provided by those
35-53 rules.

35-54 (e) The attorney general may sue to collect an
35-55 administrative penalty assessed under this section. The attorney
35-56 general may recover on behalf of the state the reasonable expenses
35-57 incurred in obtaining the penalty, including investigation and
35-58 court costs, reasonable attorney's fees, witness fees, and other
35-59 expenses.

35-60 (f) An administrative penalty collected under this section
35-61 shall be deposited to the credit of the general revenue fund.

35-62 (g) A proceeding to impose an administrative penalty under
35-63 this section is a contested case hearing under Chapter 2001,
35-64 Government Code.

35-65 SECTION 5.06. (a) Subchapter Q, Chapter 2301, Occupations
35-66 Code, is amended by adding Section 2301.808 to read as follows:

35-67 Sec. 2301.808. REFUND. (a) Subject to Subsection (b), the
35-68 board may order a motor vehicle dealer to pay a refund to a consumer
35-69 as provided in an agreement resulting from an informal settlement

36-1 instead of or in addition to imposing an administrative penalty
36-2 under this chapter.

36-3 (b) The amount of a refund ordered as provided in an
36-4 agreement resulting from an informal settlement may not exceed the
36-5 amount the consumer paid to the motor vehicle dealer. The board may
36-6 not require payment of other damages or estimate harm in a refund
36-7 order.

36-8 (b) Subchapter H, Chapter 2302, Occupations Code, is
36-9 amended by adding Section 2302.352 to read as follows:

36-10 Sec. 2302.352. ADMINISTRATIVE PENALTY. (a) The board may
36-11 impose an administrative penalty on a salvage vehicle dealer
36-12 licensed under this chapter who violates this chapter or a rule or
36-13 order adopted under this chapter.

36-14 (b) The amount of an administrative penalty imposed under
36-15 this section may not exceed \$5,000. Each day a violation continues
36-16 or occurs is a separate violation for the purpose of imposing a
36-17 penalty. The amount of the penalty shall be based on:

36-18 (1) the seriousness of the violation, including the
36-19 nature, circumstances, extent, and gravity of the violation;

36-20 (2) the economic harm to property or the environment
36-21 caused by the violation;

36-22 (3) the history of previous violations;

36-23 (4) the amount necessary to deter a future violation;

36-24 (5) the threat to the public safety and welfare;

36-25 (6) efforts to correct the violation; and

36-26 (7) any other matter that justice may require.

36-27 (c) The board by rule shall adopt a schedule of
36-28 administrative penalties based on the criteria listed in Subsection
36-29 (b) for violations subject to an administrative penalty under this
36-30 section to ensure that the amount of a penalty imposed is
36-31 appropriate to the violation.

36-32 (d) The enforcement of an administrative penalty may be
36-33 stayed during the time the order is under judicial review if the
36-34 person pays the penalty to the clerk of the court or files a
36-35 supersedeas bond with the court in the amount of the penalty. A
36-36 person who cannot afford to pay the penalty or file the bond may
36-37 stay the enforcement by filing an affidavit in the manner required
36-38 by the Texas Rules of Civil Procedure for a party who cannot afford
36-39 to file security for costs, subject to the right of the board to
36-40 contest the affidavit as provided by those rules.

36-41 (e) The attorney general may sue to collect an
36-42 administrative penalty imposed under this section. In the suit the
36-43 attorney general may recover, on behalf of the state, the
36-44 reasonable expenses incurred in obtaining the penalty, including
36-45 investigation and court costs, reasonable attorney's fees, witness
36-46 fees, and other expenses.

36-47 (f) An administrative penalty collected under this section
36-48 shall be deposited in the general revenue fund.

36-49 (g) A proceeding to impose an administrative penalty under
36-50 this section is a contested case under Chapter 2001, Government
36-51 Code.

36-52 (c) The change in law made by Section 2301.808, Occupations
36-53 Code, as added by this section, applies only to a motor vehicle
36-54 purchased or leased on or after the effective date of this Act. A
36-55 motor vehicle purchased or leased before the effective date of this
36-56 Act is governed by the law in effect immediately before that date,
36-57 and that law is continued in effect for that purpose.

36-58 SECTION 6.01. Section 391.004, Transportation Code,
36-59 amended to read as follows:

36-60 Sec. 391.004. TEXAS HIGHWAY BEAUTIFICATION FUND ACCOUNT.
36-61 The Texas highway beautification fund account is an account in the
36-62 general revenue fund. Money the commission receives under this
36-63 chapter shall be deposited to the credit of the Texas highway
36-64 beautification fund account. The commission shall use money in the
36-65 Texas highway beautification fund account to administer this
36-66 chapter and Chapter 394.

36-67 SECTION 6.02. (a) Subchapter A, Chapter 391,
36-68 Transportation Code, is amended by adding Section 391.006 to read

1 motor vehicle purchased or leased before the effective date of this
2 Act is governed by the law in effect immediately before that date,

4 ARTICLE 6. REGULATION OF OUTDOOR ADVERTISING

5 SECTION 6.01. Section 391.004, Transportation Code, is
6 amended to read as follows:

7 Sec. 391.004. TEXAS HIGHWAY BEAUTIFICATION FUND ACCOUNT.

8 The Texas highway beautification fund account is an account in the
9 general revenue fund. Money the commission receives under this
10 chapter shall be deposited to the credit of the Texas highway
11 beautification fund account. The commission shall use money in the
12 Texas highway beautification fund account to administer this
13 chapter and Chapter 394.

14 SECTION 6.02. (a) Subchapter A, Chapter 391,
15 Transportation Code, is amended by adding Section 391.006 to read
16 as follows:

17 Sec. 391.006. COMPLAINTS; RECORDS. (a) The department by
18 rule shall establish procedures for accepting and resolving written
19 complaints related to outdoor advertising under this chapter. The
20 rules must include:

21 (1) a process to make information available describing
22 its procedures for complaint investigation and resolution,
23 including making information about the procedures available on the
24 department's Internet website;

25 (2) a simple form for filing complaints with the
26 department;

27 (3) a system to prioritize complaints so that the most

1 serious complaints receive attention before less serious
2 complaints; and

3 (4) a procedure for compiling and reporting detailed
4 annual statistics about complaints.

5 (b) The department shall provide to each person who files a
6 written complaint with the department, and to each person who is the
7 subject of a complaint, information about the department's policies
8 and procedures relating to complaint investigation and resolution.

9 (c) The department shall keep an information file about each
10 written complaint filed with the department that the department has
11 authority to resolve. The department shall keep the following
12 information for each complaint for the purpose of enforcing this
13 chapter:

14 (1) the date the complaint is filed;

15 (2) the name of the person filing the complaint;

16 (3) the subject matter of the complaint;

17 (4) each person contacted in relation to the
18 complaint;

19 (5) a summary of the results of the review or
20 investigation of the complaint; and

21 (6) if the department does not take action on the
22 complaint, an explanation of the reasons that action was not taken.

23 (d) If a written complaint is filed with the department that
24 the department has authority to resolve, the department, at least
25 quarterly and until final disposition of the complaint, shall
26 notify the parties to the complaint of the status of the complaint
27 unless the notice would jeopardize an ongoing department

1 investigation.

2 (b) The Texas Transportation Commission shall adopt rules
3 under Section 391.006, Transportation Code, as added by this
4 section, not later than September 1, 2010.

5 SECTION 6.03. Section 391.099(c), Transportation Code, is
6 amended to read as follows:

7 (c) Except as provided by Subsection (f), the commission
8 shall:

9 (1) regulate the content, composition, design,
10 placement, erection, and maintenance of tourist-oriented
11 directional signs and supports on eligible highway rights-of-way
12 and ensure signs are placed in designated areas no more than 90 days
13 after the eligible facility signs a contract; ~~and~~

14 (2) in lieu of a tourist-oriented directional sign,
15 direct the department to erect General Service signs upon request of
16 owners of recreational vehicle or camping areas;

17 (3) create rules as to the viable alternatives to the
18 current tourist-oriented directional sign program pricing
19 methodology of total traffic counts to include, but not limited to,
20 actual visitor counts or cost plus maintenance; and

21 (4) adopt rules necessary to administer and enforce
22 this section.

23 SECTION 6.04. Subchapter A, Chapter 391, Transportation
24 Code, is amended by adding Section 391.007 to read as follows:

25 Sec. 391.007. REQUEST FOR HEARING. (a) If the department
26 revokes a permit issued under this chapter, denies the application
27 for a permit submitted under this chapter, or issues an

1 administrative penalty under this chapter, the department shall
2 send written notice by certified mail to the affected person.

3 (b) Not later than the 30th day after the date a person
4 receives notice under Subsection (a), the person may make a written
5 request to the commission for an administrative hearing to appeal:

6 (1) the denial of a permit application submitted under
7 this chapter;

8 (2) the revocation of a permit issued under this
9 chapter; or

10 (3) the imposition of an administrative penalty under
11 this chapter.

12 (c) If a person requests a hearing under this section, the
13 hearing shall be conducted by the State Office of Administrative
14 Hearings. Chapter 2001, Government Code, applies to a proceeding
15 under this chapter to the extent consistent with this chapter.

16 (d) The State Office of Administrative Hearings shall
17 consider the department's applicable substantive rules and
18 policies when conducting a hearing under this section.

19 (e) After a hearing conducted under this section, the
20 administrative law judge shall:

21 (1) make findings of fact and conclusions of law; and

22 (2) promptly issue a decision to the commission.

~~SECTION 0.05. Subchapter B, Chapter 391, Transportation
Code, is amended by adding Section 391.0331 to read as follows:
Sec. 391.0331. COSTS OF REMOVAL OF CERTAIN OUTDOOR
ADVERTISING IN MUNICIPALITIES. Outdoor advertising located in a
municipality within the extraterritorial jurisdiction of a~~

1 municipality that regulates outdoor advertising in
2 extra-territorial jurisdiction is required to be removed because of
3 the widening, construction, or reconstruction of a road to which
4 this chapter applies and if relocation of the outdoor advertising
5 would be allowed under commission rules but is prohibited by
6 charter, ordinance, or a resolution of the municipality, the
7 municipality shall pay the following compensation to:
8 (1) the owner for the right, title leasehold, and
9 interest in the outdoor advertising; and
10 (2) the owner or, if appropriate, the lessee of the
11 real property on which the outdoor advertising is located, for the
12 right to erect and maintain the outdoor advertising.

13 SECTION 6.06⁵. Section 391.035(c), Transportation Code, is
14 amended to read as follows:

15 (c) A penalty collected under this section shall be
16 deposited to the credit of the Texas highway beautification [state
17 highway] fund account if collected by the attorney general and to
18 the credit of the county road and bridge fund of the county in which
19 the violation occurred if collected by a district or county
20 attorney.

21 SECTION 6.07¹⁶. Subchapter B, Chapter 391, Transportation
22 Code, is amended by adding Section 391.0355 to read as follows:

23 Sec. 391.0355. ADMINISTRATIVE PENALTY. (a) In lieu of a
24 suit to collect a civil penalty, the commission, after notice and an
25 opportunity for a hearing before the commission, may impose an
26 administrative penalty against a person who violates this chapter
27 or a rule adopted by the commission under this chapter. Each day a

1 violation continues is a separate violation.

2 (b) The amount of the administrative penalty may not exceed
3 the maximum amount of a civil penalty under Section 391.035.

4 (c) A proceeding under this section is a contested case
5 under Chapter 2001, Government Code.

6 (d) Judicial review of an appeal of an administrative
7 penalty imposed under this section is under the substantial
8 evidence rule.

9 (e) An administrative penalty collected under this section
10 shall be deposited to the credit of the Texas highway
11 beautification fund account.

12 SECTION 6.0⁷~~6~~. Section 391.063, Transportation Code, is
13 amended to read as follows:

14 Sec. 391.063. LICENSE FEE. The commission may set the
15 amount of a license fee according to a scale graduated by the number
16 of units of outdoor advertising and number of off-premise signs
17 under Chapter 394 owned by a license applicant.

18 SECTION 6.0⁸~~7~~. Section 391.064, Transportation Code, is
19 amended by adding Subsection (c) to read as follows:

20 (c) A person is not required to file with the commission a
21 surety bond for outdoor advertising under this chapter if the
22 person files with the commission a surety bond for an off-premise
23 sign under Chapter 394.

24 SECTION 6.0⁰⁹~~8~~. Section 391.065(b), Transportation Code, is
25 amended to read as follows:

26 (b) For the efficient management and administration of this
27 chapter and to reduce the number of employees required to enforce

1 this chapter, the commission shall adopt rules for issuing
2 standardized forms that are for submission by license holders and
3 applicants and that provide for an accurate showing of the number,
4 location, or other information required by the commission for each
5 license holder's or applicant's outdoor advertising or off-premise
6 signs under Chapter 394.

7 SECTION 6.11. Section 391.066, Transportation Code, is
8 amended by adding Subsections (d) and (e) to read as follows:

9 (d) The commission may deny the renewal of a license
10 holder's license if the license holder has not complied with the
11 permit requirements of this chapter or Chapter 394.

12 (e) The commission by rule shall adopt procedures for the
13 suspension, revocation, or denial of a renewal of a license under
14 this section, or the assessment of an administrative penalty under
15 Section 391.0355. The procedures must ensure that the enforcement
16 action is appropriate for the violation for which it is taken. The
17 rules adopting the procedures must require the commission to
18 consider:

19 (1) the seriousness of the violation, including the
20 nature, circumstances, extent, and gravity of the violation;

21 (2) the economic harm to property or the environment
22 caused by the violation;

23 (3) the history of previous violations;

24 (4) for an administrative penalty, the amount
25 necessary to deter future violations;

26 (5) the threat to the public safety and welfare posed
27 by the violation;

1 (6) efforts to correct the violation; and

2 (7) any other matter that justice may require.

3 SECTION 6.1¹. Subchapter C, Chapter 391, Transportation
4 Code, is amended by adding Section 391.0661 to read as follows:

5 Sec. 391.0661. APPLICABILITY OF LICENSE. In addition to
6 authorizing a person to erect or maintain outdoor advertising, a
7 license issued under this chapter authorizes a person to erect or
8 maintain an off-premise sign under Chapter 394.

9 SECTION 6.1². Section 391.254(c), Transportation Code, is
10 amended to read as follows:

11 (c) A civil penalty collected by the attorney general under
12 this section shall be deposited to the credit of the Texas highway
13 beautification [~~state highway~~] fund account.

14 SECTION 6.1³. Section 394.005, Transportation Code, is
15 amended to read as follows:

16 Sec. 394.005. DISPOSITION OF FEES. Money the commission
17 receives [~~A registration fee collected~~] under this chapter [~~Section~~
18 ~~394.048 by the commission~~] shall be deposited to the credit of the
19 Texas highway beautification [~~state highway~~] fund account.

20 SECTION 6.1⁴. (a) Subchapter A, Chapter 394,
21 Transportation Code, is amended by adding Section 394.006 to read
22 as follows:

23 Sec. 394.006. COMPLAINTS; RECORDS. (a) The department by
24 rule shall establish procedures for accepting and resolving written
25 complaints related to signs under this chapter. The rules must
26 include:

27 (1) a process to make information available describing

1 its procedures for complaint investigation and resolution,
2 including making information about the procedures available on the
3 department's Internet website;

4 (2) a simple form for filing complaints with the
5 department;

6 (3) a system to prioritize complaints so that the most
7 serious complaints receive attention before less serious
8 complaints; and

9 (4) a procedure for compiling and reporting detailed
10 annual statistics about complaints.

11 (b) The department shall provide to each person who files a
12 written complaint with the department, and to each person who is the
13 subject of a complaint, information about the department's policies
14 and procedures relating to complaint investigation and resolution.

15 (c) The department shall keep an information file about each
16 written complaint filed with the department that the department has
17 authority to resolve. The department shall keep the following
18 information for each complaint for the purpose of enforcing this
19 chapter:

20 (1) the date the complaint is filed;

21 (2) the name of the person filing the complaint;

22 (3) the subject matter of the complaint;

23 (4) each person contacted in relation to the
24 complaint;

25 (5) a summary of the results of the review or
26 investigation of the complaint; and

27 (6) if the department does not take action on the

1 complaint, an explanation of the reasons that action was not taken.

2 (d) If a written complaint is filed with the department that
3 the department has authority to resolve, the department, at least
4 quarterly and until final disposition of the complaint, shall
5 notify the parties to the complaint of the status of the complaint
6 unless the notice would jeopardize an ongoing department
7 investigation.

8 (b) The Texas Transportation Commission shall adopt rules
9 under Section 394.006, Transportation Code, as added by this
10 section, not later than September 1, 2010.

11 SECTION 6.16. Subchapter A, Chapter 394, Transportation
12 Code, is amended by adding Section 394.007 to read as follows:

13 Sec. 394.007. COSTS FOR REMOVAL OF SIGNS IN CERTAIN
14 MUNICIPALITIES. If a sign located in a municipality or in the
15 extraterritorial jurisdiction of a municipality that regulates
16 signs in its extraterritorial jurisdiction is required to be
17 removed because of the widening, reconstruction, or reconstruction of
18 a road to which this chapter applies and if relocation of the sign
19 would be allowed under commission rules but is prohibited by
20 charter, ordinance, or a decision of the municipality, the
21 municipality shall pay just compensation to

22 (1) the owner for the right, title, leasehold, and
23 interest in the sign; and

24 (2) the owner or, if appropriate, the lessee of the
25 real property on which the sign is located for the right to erect
26 and maintain the sign.

27 SECTION 6.17. The heading to Subchapter B, Chapter 394,

1 Transportation Code, is amended to read as follows:

2 SUBCHAPTER B. LICENSE AND PERMIT FOR OFF-PREMISE SIGN

3 SECTION 6.18¹⁶. (a) Subchapter B, Chapter 394,
4 Transportation Code, is amended by adding Sections 394.0201,
5 394.0202, 394.0203, 394.0204, 394.0205, 394.0206, 394.0207,
6 394.027, 394.028, and 394.029 to read as follows:

7 Sec. 394.0201. ERECTING OFF-PREMISE SIGN WITHOUT LICENSE;
8 OFFENSE. (a) A person commits an offense if the person wilfully
9 erects or maintains an off-premise sign on a rural road without a
10 license under this subchapter.

11 (b) An offense under this section is a misdemeanor
12 punishable by a fine of not less than \$500 or more than \$1,000. Each
13 day of the proscribed conduct is a separate offense.

14 (c) A person is not required to obtain a license to erect or
15 maintain an on-premise sign.

16 Sec. 394.0202. ISSUANCE AND PERIOD OF LICENSE. (a) The
17 commission shall issue a license to a person who:

18 (1) files with the commission a completed application
19 form within the time specified by the commission;

20 (2) pays the appropriate license fee; and

21 (3) files with the commission a surety bond.

22 (b) A license may be issued for one year or longer.

23 (c) At least 30 days before the date on which a person's
24 license expires, the commission shall notify the person of the
25 impending expiration. The notice must be in writing and sent to the
26 person's last known address according to the records of the
27 commission.

1 Sec. 394.0203. LICENSE FEE. The commission may set the
2 amount of a license fee according to a scale graduated by the number
3 of off-premise signs and units of outdoor advertising under Chapter
4 391 owned by a license applicant.

5 Sec. 394.0204. SURETY BOND. (a) The surety bond required
6 of an applicant for a license under Section 394.0202 must be:

7 (1) in the amount of \$2,500 for each county in the
8 state in which the person erects or maintains an off-premise sign;
9 and

10 (2) payable to the commission for reimbursement for
11 removal costs of an off-premise sign that the license holder
12 unlawfully erects or maintains.

13 (b) A person may not be required to provide more than
14 \$10,000 in surety bonds.

15 (c) A person is not required to file with the commission a
16 surety bond for an off-premise sign under this chapter if the person
17 files with the commission a surety bond for outdoor advertising
18 under Chapter 391.

19 Sec. 394.0205. RULES; FORMS. (a) The commission may adopt
20 rules to implement Sections 394.0201(a), 394.0202, 394.0203,
21 394.0204, and 394.0206.

22 (b) For the efficient management and administration of this
23 chapter and to reduce the number of employees required to enforce
24 this chapter, the commission shall adopt rules for issuing
25 standardized forms that are for submission by license holders and
26 applicants and that provide for an accurate showing of the number,
27 location, or other information required by the commission for each

1 license holder's or applicant's off-premise signs or outdoor
2 advertising under Chapter 391.

3 Sec. 394.0206. REVOCATION OR SUSPENSION OF LICENSE; APPEAL.

4 (a) The commission may revoke or suspend a license issued under
5 this subchapter or place on probation a license holder whose
6 license is suspended if the license holder violates this chapter or
7 a rule adopted under this chapter. If the suspension of the license
8 is probated, the department may require the license holder to
9 report regularly to the commission on any matter that is the basis
10 of the probation.

11 (b) The judicial appeal of the revocation or suspension of a
12 license must be initiated not later than the 15th day after the date
13 of the commission's action.

14 (c) The commission may adopt rules for the reissuance of a
15 revoked or suspended license and may set fees for the reissuance.

16 (d) The commission may deny the renewal of a license
17 holder's existing license if the license holder has not complied
18 with the permit requirements of this chapter or Chapter 391.

19 (e) The commission by rule shall adopt procedures for the
20 suspension, revocation, or denial of a renewal of a license under
21 this section, or the assessment of an administrative penalty under
22 Section 394.082. The procedures must ensure that the enforcement
23 action is appropriate for the violation for which it is taken. The
24 rules adopting the procedures must require the commission to
25 consider:

26 (1) the seriousness of the violation, including the
27 nature, circumstances, extent, and gravity of the violation;

1 (2) the economic harm to property or the environment
2 caused by the violation;

3 (3) the history of previous violations;

4 (4) for an administrative penalty, the amount
5 necessary to deter future violations;

6 (5) the threat to the public safety and welfare posed
7 by the violation;

8 (6) efforts to correct the violation; and

9 (7) any other matter that justice may require.

10 Sec. 394.0207. APPLICABILITY OF LICENSE. In addition to
11 authorizing a person to erect or maintain an off-premise sign, a
12 license issued under this chapter authorizes a person to erect or
13 maintain outdoor advertising under Chapter 391.

14 Sec. 394.027. FEE AMOUNTS. The license and permit fees
15 required by this subchapter may not exceed an amount reasonably
16 necessary to cover the administrative costs incurred to enforce
17 this chapter.

18 Sec. 394.028. EXCEPTIONS FOR CERTAIN NONPROFIT
19 ORGANIZATIONS. (a) The combined license and permit fees under this
20 subchapter may not exceed \$10 for an off-premise sign erected and
21 maintained by a nonprofit organization in a municipality or a
22 municipality's extraterritorial jurisdiction if the sign relates
23 to or promotes only the municipality or a political subdivision
24 whose jurisdiction is wholly or partly concurrent with the
25 municipality.

26 (b) The nonprofit organization is not required to file a
27 bond as provided by Section 394.0202(a)(3).

1 Sec. 394.029. DENIAL OF PERMIT; APPEAL. The commission may
2 create a process by which an applicant may appeal a denial of a
3 permit under this subchapter.

4 (b) The change in law made by Section 394.0201,
5 Transportation Code, as added by this section, applies only to an
6 off-premise sign erected or for which a permit is issued or renewed
7 on or after the effective date of this Act. An off-premise sign for
8 which a permit is issued before the effective date of this Act is
9 covered by the law in effect when the permit was issued, and the
10 former law is continued in effect for that purpose.

11 SECTION 6.1⁷. Section 394.050, Transportation Code, is
12 amended to read as follows:

13 Sec. 394.050. [~~BOARD OF~~] VARIANCE. The executive director
14 or a person designated by the executive director [~~commission shall~~
15 ~~provide for a board of variance that~~], in an appropriate case and
16 subject to an appropriate condition or safeguard, may make a
17 special exception to this chapter regarding a permit for an
18 off-premise outdoor sign on a rural road.

19 SECTION 6.2¹⁸. Section 394.081(c), Transportation Code, is
20 amended to read as follows:

21 (c) A civil penalty collected under this section shall be
22 deposited to the credit of the Texas highway beautification [~~state~~
23 ~~highway~~] fund account if collected by the attorney general and to
24 the credit of the county road and bridge fund if collected by a
25 district or county attorney.

26 SECTION 6.2¹⁹. Sections 394.082(a), (d), and (e),
27 Transportation Code, are amended to read as follows:

1 (a) In lieu of a suit to collect a civil penalty, the
2 commission, after notice and an opportunity for a hearing before
3 the commission, may impose an administrative penalty against a
4 person who [~~intentionally~~] violates this chapter or a rule adopted
5 by the commission under this chapter. Each day a violation
6 continues is a separate violation.

7 (d) Judicial review of an appeal of an administrative
8 penalty imposed under this section is under the substantial
9 evidence rule [~~by trial de novo~~].

10 (e) An administrative penalty collected under this section
11 shall be deposited to the credit of the Texas highway
12 beautification [~~state highway~~] fund account.

13 SECTION 6.2⁰. Subchapter E, Chapter 394, Transportation
14 Code, is amended by adding Section 394.088 to read as follows:

15 Sec. 394.088. ADMINISTRATIVE HEARING. (a) If the
16 department denies a permit application submitted under this
17 chapter, or issues an administrative penalty under this chapter and
18 under a section other than Section 394.086, the department shall
19 send written notice by certified mail to the affected person.

20 (b) Not later than the 30th day after the date a person
21 receives notice under Subsection (a), that person may make a
22 written request to the commission for an administrative hearing to
23 appeal:

24 (1) the denial of a permit application submitted under
25 this chapter;

26 (2) the revocation of a permit issued under this
27 chapter; or

1 (3) the imposition of an administrative penalty under
2 this chapter.

3 (c) If a person requests a hearing under this section, the
4 hearing shall be conducted by the State Office of Administrative
5 Hearings. Chapter 2001, Government Code, applies to a proceeding
6 under this chapter to the extent consistent with this chapter.

7 (d) The State Office of Administrative Hearings shall
8 consider the department's applicable substantive rules and
9 policies when conducting a hearing under this section.

10 (e) After a hearing conducted under this section, the
11 administrative law judge shall:

12 (1) make findings of fact and conclusions of law; and

13 (2) promptly issue a decision to the commission.

14 SECTION 6.23. Subtitle H, Title 6, Transportation Code,
15 amended by adding Chapter 398 to read as follows:

16 CHAPTER 398. PROVISIONS GENERALLY APPLICABLE TO OUTDOOR SIGNS

17 Sec. 398.001. DEFINITION. In this chapter, "off-premise
18 sign" means an outdoor sign displaying advertising that pertains to
19 a business, person, organization, activity, event, place, service,
20 or product not principally located, primarily manufactured or
21 sold on the premises on which the sign is located.

22 Sec. 398.002. RIGHTS OF OWNER OF CERTAIN SIGNS. The rights
23 associated with an off-premise sign that is lawfully in existence
24 but no longer complies with current applicable laws and
25 regulations, including laws and regulations promulgated under
26 Chapters 391 and 394 of this code, and Chapter 216, Local Government
27 Code, vest in the owner of the off-premise sign. This section does

3 SECTION 6.24. Section 391.065(c), Transportation Code, is
4 repealed.

5 SECTION 6.25. Chapter 391, Transportation Code, is amended
6 by adding Section 391.2521 to read as follows:

7 Sec. 391.2521. ERECTING OUTDOOR ADVERTISING FOR SEXUALLY
8 ORIENTED BUSINESS WITHOUT PERMIT. (a) A person may not, without
9 first obtaining a permit from the commission, erect or maintain
10 outdoor advertising that advertises a sexually-oriented business
11 that is adjacent or visible from:

12 (1) Interstate 35 between the department's information
13 center in Gainesville and the Texas-Oklahoma border; and

14 (2) U.S. Highway 69 and 75 between the department's
15 information center in Denison and the Texas-Oklahoma border;

16 (b) The department shall issue a permit to a person under
17 this section only if the person can show that the advertising:

18 (1) does not endanger the health, safety, welfare,
19 morals, convenience, and enjoyment of the traveling public and the
20 protection of the public investment in the interstate and primary
highways systems and in travel information centers; and

21 (2) is not a public nuisance.

22 (c) The department shall adopt rules to administer this
section, including permit fees, forms, and application process.

23 (d) As used in this section, "sexually oriented business"

24 means any business that advertises or promotes a sexual service or

25 SECTION 6.26. Subtitle H, Title 6, Transportation Code, is

1 amended by adding Chapter 399 to read as follows:

2 CHAPTER 399. OUTDOOR ADVERTISING ADVISORY COMMITTEE

3 Sec. 399.001. DEFINITIONS. In this chapter:

4 (1) "Advisory committee" means the outdoor
5 advertising advisory committee established by this chapter.

6 (2) "Outdoor sign" includes the meaning assigned to
7 "outdoor advertising" by Section 391.001 and the meaning assigned
8 to "off-premise sign" by Section 394.001.

9 Sec. 399.002. OUTDOOR ADVERTISING ADVISORY COMMITTEE. The
10 department shall establish an outdoor advertising advisory
11 committee. The advisory committee shall provide advice,
12 information, and recommendations to the commission regarding rules
13 and regulations related to outdoor signs along highways and roads
14 in this state.

15 Sec. 399.003. APPOINTMENT. The membership of the advisory
16 committee shall be as follows:

17 (1) one member of the general public appointed by the
18 governor;

19 (2) one member of the general public appointed by the
20 lieutenant governor;

21 (3) one member of the general public appointed by the
22 speaker of the house of representatives; and

23 (4) 11 members appointed by the commission as follows:
24 (A) three representatives from organizations
25 that promote the scenic values of this state;

26 (B) three representatives from the outdoor sign
27 industry;

1 (C) one representative from an organization that
2 serves the interests of counties in this state;

3 (D) one representative from an organization that
4 promotes landowner property rights in this state;

5 (E) two representatives from organizations that
6 promote travel, tourism, and hospitality industries in this state;
7 and

8 (F) one representative from an organization that
9 promotes businesses that use outdoor signs.

10 Sec. 399.004. CHAIR; TERMS. (a) The advisory committee
11 shall elect one member to serve as chairperson.

12 (b) A member of the advisory committee serves a two-year
13 term that begins at the beginning of the state fiscal year in which
14 the member is appointed.

15 (c) A majority of the members of the advisory committee is a
16 quorum for the transaction of business by the advisory committee.

17 (d) An action by the advisory committee, including a formal
18 recommendation to the commission, requires the approval of a
19 majority of the quorum.

20 Sec. 399.005. POWERS AND DUTIES. (a) No action by the
21 advisory committee is intended to conflict with the federal Highway
22 Beautification Act of 1965 (23 U.S.C. Sections 131, 136, and 319).

23 (b) The advisory committee shall submit a biennial report to
24 the house and senate committees with jurisdiction over
25 transportation. The report shall include recommendations to the
26 legislature for any necessary statutory changes and a summary of
27 the recommendations the committee has made to the department during

1 the preceding two years. The first report must be submitted not
2 later than November 1, 2010.

3 (c) The commission may adopt rules necessary for the
4 operation of the advisory committee.

5 Sec. 399.006. COMPENSATION. A member of an advisory
6 committee may not be compensated by the commission or the
7 department for service and is not entitled to reimbursement for any
8 expense incurred in the performance of committee service.

9 Sec. 399.007. OPEN RECORDS; STAFF. (a) All written or other
10 recorded information maintained by the advisory committee or
11 advisory committee members regarding the business of the advisory
12 committee is public information and is subject to Chapter 552,
13 Government Code.

14 (b) Meetings of the advisory committee are subject to
15 Chapter 551, Government Code.

16 (c) The department shall provide administrative staff and
17 support required for operation of the advisory committee.

18 Sec. 399.008. EXPIRATION OF CHAPTER. This chapter expires
19 August 31, 2011.

20 ARTICLE 7. GREEN RIBBON PROJECT

21 SECTION 7.01. Subchapter I, Chapter 201, Transportation
22 Code, is amended by adding Section 201.708 to read as follows:

23 Sec. 201.708. EXPENDITURES FOR HIGHWAY LANDSCAPING. (a)
24 For each contract for a highway project that is located in an area
25 designated by the United States Environmental Protection Agency as
26 a nonattainment or near-nonattainment area under Section 107(d) of
27 the federal Clean Air Act (42 U.S.C. Section 7407), the department

1 shall allocate to the district or districts in which the project is
2 to be located one-half of one percent of the total amount to be
3 spent under the contract for construction, maintenance, and
4 improvement of the project to be used for landscaping improvements
5 for the project or other projects in the district or districts.

6 (b) Landscaping improvements may include:

7 (1) planting of indigenous or adapted trees and other
8 plants that are suitable for the climate in the area; and

9 (2) preparing the soil and installing irrigation
10 systems for the growth of trees and plants.

11 by adding Subchapter T to read as follows:

13 SUBCHAPTER T. ADDITIONAL POWERS OF RAPID TRANSIT AUTHORITY

14 Sec. 451.901. DEFINITIONS. (a) In this subchapter:

15 (1) "Authority" means a rapid transit authority
16 created under this chapter.

17 (2) "Board" means the governing body of the authority.

18 (3) "Comprehensive transportation system" means a
19 transportation project or combination of transportation projects
20 designated as a system by the board of an authority.

21 (4) "Transportation project" means

22 (A) the design, construction, extension,
23 expansion, improvement, reconstruction, alteration, acquisition,
24 financing, and maintenance of mass transit, light rail, commuter
25 rail, intercity municipal rail, freight rail, fixed guideways,
26 traffic management systems, bus ways, bus lanes, technologically
27 advanced bus transit vehicles and systems, bus rapid transit

ARTICLE 8. REGISTRATION OF VEHICLES

1 SECTION 8-01. (a) Section 502.1725, Transportation Code, is
2 amended by amending Subsections (a), (d), (e), (f), and (g) and
3 adding Subsections (e-1), (f-1), (i), and (j) to read as
4 follows:

5 (a) This section applies only to:

6 (1) a county:

7 (A) [~~+1~~] that borders the United Mexican States;

8 (B) [~~+2~~] that has a population of more than
9 150,000 [300,000]; and

10 (C) [~~+3~~] in which the largest municipality has a
11 population of less than 300,000; and

12 (2) a county that has a population of less than 50,000
13 that:

14 (A) borders the United Mexican States; and

15 (B) contains at least one federal military base.

16 (d) A fee imposed under this section may take effect only
17 on January 1 of a year. The county must adopt the order and
18 notify the department not later than September 1 of the year
19 preceding the year in which the fee takes effect. A fee imposed
20 under this section is not required to be annually reauthorized
21 and remains in effect until removed as provided by Subsection
22 (e).

23 (e) Subject to Subsection (e-1), a [A] fee imposed under
24 this section may be removed. The removal may take effect only
25 on January 1 of a year. A county may remove the fee only by:

26 (1) rescinding the order imposing the fee; and

27 (2) notifying the department not later than September
28 1 of the year preceding the year in which the removal takes
29 effect.

30 (e-1) If the revenue from a fee imposed under this section
31 is pledged or assigned to secure the payment of obligations as
32 provided by Subsection (f-1), the fee may not be removed until

1 the obligations secured by the pledge or assignment have been
2 paid or discharged.

3 (f) The county assessor-collector of a county imposing a
4 fee under this section shall collect the additional fee for a
5 vehicle when other fees imposed under this chapter are
6 collected. The county shall deposit [~~send~~] the fee revenue in a
7 special account in the county general fund. Money in the
8 account may be used only for a purpose authorized under Section
9 (7-a), Article VIII, Texas Constitution, and only to contract
10 with:

11 (1) [~~to~~] the regional mobility authority of the
12 county to promote and maintain a public purpose of the county
13 that involves funding [~~fund~~] long-term transportation projects
14 in the county;

15 (2) a transportation governmental entity designated
16 under Subsection (j) to promote and maintain a public purpose of
17 the county that involves funding long-term transportation
18 projects in the county; or

19 (3) a public or private entity developing a long-term
20 transportation project in the county under an agreement with the
21 county, the regional mobility authority of the county, or a
22 transportation governmental entity designated under Subsection
23 (j) to promote and maintain a public purpose of the county.

24 (f-1) Revenue from a fee imposed under this section may be
25 pledged or assigned by the county, the regional mobility
26 authority of the county with which the county contracts under
27 Subsection (f), or a transportation governmental entity with
28 which the county contracts under Subsection (f) to secure the
29 payment of obligations associated with the development of long-
30 term transportation projects in the county as provided by
31 Subsection (f).

32 (g) The department shall collect the additional fee on a

1 vehicle that is owned by a resident of a county imposing a fee
2 under this section and that, under this chapter, must be
3 registered directly with the department. The department shall
4 send all fees collected for a county under this subsection to
5 the county for deposit and use as provided by Subsection (f) or
6 (f-1) [~~regional mobility authority of the county to fund long-~~
7 ~~term transportation projects in the county]~~.

8 (i) Notwithstanding Subsection (b), the fee imposed under
9 this section by the commissioners court of a county to which
10 this subsection applies may not exceed \$50. This subsection
11 applies only to a county:

12 (1) that borders the United Mexican States;

13 (2) that has a population of more than 150,000;

14 (3) in which the largest municipality has a
15 population of less than 300,000; and

16 (4) that does not border the Gulf of Mexico.

17 (j) The department shall designate the governmental
18 entities that serve primarily a transportation function and with
19 which counties may contract under Subsection (f).

20 (b) This Section takes effect immediately if this Act
21 receives a vote of two-thirds of all the members elected to each
22 house, as provided by Section 39, Article III, Texas
23 Constitution. If this Act does not receive the vote necessary
24 for immediate effect, this Section takes effect September 1,
25 2009.

ARTICLE 9 RAIL DIVISION

AMENDMENT NO. _____

BY: _____

Amend C.S.H.B. _____ 300 (senate committee printing) as follows:

(1) Strike SECTIONS 9.01, 9.02, and _____ of the bill (page 63, line _____ through page 64, line 38), substitute the following,

6 SECTION 9.01. Subtitle A, Title 5, Transportation Code, is
7 amended by adding Chapter 92 to read as follows:

8 CHAPTER 92. STATEWIDE RAIL PLANNING AND COORDINATION

9 Sec. 92.001. In this chapter:

10 (1) "Department" means the Texas Department of
11 Transportation.

12 (2) "Division" means the rail division of the
13 department.

14 Sec. 92.002. DUTIES OF RAIL DIVISION. In addition to any
15 other duty imposed on the division, the division shall:

16 (1) assure that rail is an integral part of the
17 department's transportation planning process;

18 (2) coordinate and oversee rail projects that are
19 financed with money distributed by the department, including money
20 from the Texas rail relocation and improvement fund;

21 (3) develop and plan for improved passenger and
22 freight rail facilities and services in this state; and

23 (4) coordinate the efforts of the department, the
24 federal government, political subdivisions, and private entities
25 to continue the development of rail facilities and services in this
26 state.

27 Sec. 92.003. COORDINATION OF STATEWIDE PASSENGER RAIL
28 SYSTEM. To facilitate the development and interconnectivity of
29 rail systems in this state, the department shall coordinate

1 activities regarding the planning, construction, operation, and
2 maintenance of a statewide passenger rail system. The department
3 shall coordinate with other entities involved with passenger rail
4 systems, including governmental entities, private entities, and
5 nonprofit corporations.

6 Sec. 92.004. LONG-TERM PLAN FOR STATEWIDE PASSENGER RAIL
7 SYSTEM. The department shall prepare and update annually a
8 long-term plan for a statewide passenger rail system. Information
9 contained in the plan must include:

10 (1) a description of existing and proposed passenger
11 rail systems;

12 (2) information regarding the status of passenger rail
13 systems under construction;

14 (3) an analysis of potential interconnectivity
15 difficulties;

16 (4) ridership projections for proposed passenger rail
17 projects; and

18 (5) ridership statistics for existing passenger rail
19 systems.

21 added Chapter 92, Transportation Code (page 210, line 55) and
22 substitute "CHAPTER 92. DEPARTMENT ROLE IN URBAN PASSENGER RAIL
23 DEMONSTRATION PROGRAM".

24 (3) In SECTION 41.01 of the bill, added Chapter 92,
25 Transportation Code (page 210, between lines 55 and 56), insert:

26 Sec. 92.0001. DEFINITIONS. In this chapter, "department"
27 means the Texas Department of Transportation.

28 (4) In SECTION 41.01 of the bill, strike the heading to added
29 Section 92.001, Transportation Code (page 210, line 56), strike
30 "STATEWIDE PASSENGER RAIL SYSTEM;"

31 In SECTION 41.01 of the bill, strike added Section

(5) the name and address of the railroad employee in charge of training persons to handle and transport hazardous materials.

(c) Section 3, Chapter 350 (S.B. 1101) of the 71st Legislature, Regular Session, 1989 (Article 350c, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 3. DISTRIBUTION. The department [commission] shall compile information under this Act for distribution to:

- (1) emergency management agencies located in jurisdiction reporting railroad operations; and
the metropolitan planning organizations for those jurisdictions.

(b) At least once each year the division of emergency management shall distribute the information compiled by the department [commission] to the appropriate...

ARTICLE 10. ELECTRONIC SIGNS

SECTION 10.01. Chapter 544, Transportation Code, is amended by adding Section 544.013 to read as follows:

Sec. 544.013. CHANGEABLE MESSAGE SIGN SYSTEM. (a) In this section, "changeable message sign" means a sign that conforms to the manual and specifications adopted under Section 544.001. The term includes a dynamic message sign.

(b) The Texas Department of Transportation shall actively manage a system of changeable message signs located on highways under the jurisdiction of that department to mitigate traffic congestion by providing current information to the traveling public, including information about traffic incidents, weather conditions, road construction, and alternative routes.

SECTION 11.01. Section 701.006, Transportation Code, is amended to read as follows:

Sec. 701.006. [COMPLAINT, HEARING,] DISMISSAL. [If a county traffic officer fails to perform the officer's duty to enforce the law, the district engineer of the Texas Department of Transportation district in which the officer operates may send a written, signed complaint to the commissioners court.]

(b) On receipt of the complaint, the commissioners court shall hold a hearing and summon the officer to appear before it.

If the commissioners court determines at the hearing that the officer has not performed the officer's duty, the commissioners court shall immediately discharge the officer and promptly employ another officer.

(d) The commissioners court on its own initiative, or on recommendation of the sheriff, may dismiss a county traffic officer if the officer is no longer needed or if the officer's service is unsatisfactory.

SECTION 11.02. Section 701.002(b), Transportation Code, is repealed.

ARTICLE 12. ISSUANCE OF GENERAL OBLIGATION BONDS FOR HIGHWAY IMPROVEMENT PROJECTS

SECTION 12.01. Subchapter A, Chapter 222, Transportation Code, is amended by adding Section 222.005 to read as follows:

Sec. 222.005. ISSUANCE OF GENERAL OBLIGATION BONDS FOR HIGHWAY IMPROVEMENT PROJECTS. (a) In this section:

(1) "bonds" means bonds, notes, and other public securities.

(2) "Credit agreement" has the meaning assigned by Section 1371.002, Government Code.

"Improvement" includes acquisition of the highway, construction, reconstruction, and repair or maintenance, including any necessary design, and the acquisition of right-of-way.

(b) The commission by order or resolution may issue general obligation bonds for the purposes provided in this section. The aggregate principal amount of the bonds that are issued may not exceed the amount specified by Section 49-p(a), Article III, Texas Constitution.

SECTION 11.10. (a) In connection with the establishment of the Automobile Burglary and Theft Prevention Authority by this Act of the Automobile Burglary and Theft Prevention Authority in the office of the governor and with the transfer by this Act of the duty to provide personnel and services to the Automobile Burglary and Theft Prevention Authority from the Texas Department of Transportation to the office of the governor, the personnel, furniture, computers, real property and equipment, files, and related materials used by the Automobile Burglary and Theft Prevention Authority are transferred to the office of the governor.

(b) The unobligated and unexpended balance of any appropriations made by the Texas Department of Transportation in connection with this Act relating to the Automobile Burglary and Theft Prevention Authority for the state fiscal biennium ending August 31, 2001 is transferred and reappropriated to the office of the governor for the purpose of allowing the authority to continue to exercise its powers, duties, and obligations under the auspices of

19 ARTICLE 11. STATE FINANCING OF PUBLIC TRANSPORTATION

20 SECTION 11.01. Subchapter A, Chapter 456, Transportation Code, is amended by adding Section 456.009 to read as follows:

21 Sec. 456.009. ALLOCATION OF FUNDS. (a) The commission shall adopt rules to allocate funds to designated recipients under this chapter.

22 (b) ~~Subject to Subsection (a)~~ of the total amount of money allocated under this chapter, the commission may not distribute:

- 23 (1) less than 90 percent of the total amount allocated

1 under the formula program provided by Subchapter B; and

2 (2) more than 10 percent of the total amount allocated

3 under the discretionary program provided by Subchapter C.

4 ~~section must include a provision ensuring that no recipient~~
5 ~~of state funding under Subchapter B or C receives an amount of funding~~
6 ~~allocated under those subchapters that is less than the total~~
7 ~~amount of state funding received under those subchapters in the~~
8 ~~state fiscal year beginning September 1, 2003.~~

9
10 ARTICLE 13. MEMORANDA OF UNDERSTANDING

11 SECTION 3.01. (a) The board of the Texas Department of
12 Motor Vehicles and the Texas Transportation Commission by rule
13 shall adopt or revise a joint memorandum of understanding to
14 coordinate the Texas Department of Motor Vehicles' and the Texas
15 Department of Transportation's information systems to allow for the
16 sharing of information so that each department may effectively and
17 efficiently perform the functions and duties assigned to it.

(b) The Texas Department of Motor Vehicles and the Texas
Department of Transportation shall implement the joint memorandum
of understanding using existing personnel and resources.

(c) Otherwise confidential information shared under the
memorandum of understanding remains subject to the same
confidentiality requirements and legal restrictions on access to
the information that are imposed by law on the department that
originally obtained or collected the information.

(d) Information may be shared under the memorandum of
understanding without the consent of the person who is subject

82-1 Sec. 501.105. RETENTION OF RECORDS RELATING TO CERTAIN
82-2 CASUAL SALES. Each licensed salvage vehicle dealer, licensed
82-3 automotive parts recycler, or insurance company that sells a
82-4 nonrepairable motor vehicle or a salvage motor vehicle at a casual
82-5 sale shall keep on the business premises of the dealer or the
82-6 insurance company a list of all casual sales made during the
82-7 preceding 36-month period that contains:
82-8 (1) the date of the sale;
82-9 (2) the name of the purchaser;
82-10 (3) the name of the jurisdiction that issued the
82-11 identification document provided to the purchaser, as shown on the
82-12 document; and
82-13 (4) the vehicle identification number.

82-14 SECTION 18.12. Section 2302.253, Occupations Code, is
82-15 repealed.

82-16 SECTION 18.13. Not later than January 1, 2010, the Texas
82-17 Commission of Licensing and Regulation shall adopt rules under
82-18 Section 2309.102, Occupations Code, as added by this article.

82-19 SECTION 18.14. Sections 2309.151 and 2309.154, Occupations
82-20 Code, as added by this article, and Subchapter F, Chapter 2309,
82-21 Occupations Code, as added by this article, take effect September
82-22 1, 2009.

82-23 ARTICLE 12. REPEAL OF THE TRANS-TEXAS CORRIDOR

82-24 SECTION 12.01. Section 11.11(j), Tax Code, is amended to
82-25 read as follows:

82-26 (j) For purposes of this section, any portion of a facility
82-27 owned by the Texas Department of Transportation that is [~~part of the~~
82-28 ~~Trans-Texas Corridor, is~~] a rail facility or system~~[7]~~ or is a
82-29 highway in the state highway system, and that is licensed or leased
82-30 to a private entity by that department under Chapter 91 or~~[7]~~ 223,
82-31 [~~or 227,~~] Transportation Code, is public property used for a public
82-32 purpose if the rail facility or system, highway, or facility is
82-33 operated by the private entity to provide transportation or utility
82-34 services. Any part of a facility, rail facility or system, or state
82-35 highway that is licensed or leased to a private entity for a
82-36 commercial purpose is not exempt from taxation.

82-37 SECTION 12.02. Section 25.06(c), Tax Code, is amended to
82-38 read as follows:

82-39 (c) This section does not apply to:

82-40 (1) any portion of a facility owned by the Texas
82-41 Department of Transportation that is [~~part of the Trans-Texas~~
82-42 ~~Corridor, is~~] a rail facility or system~~[7]~~ or is a highway in the
82-43 state highway system and that is licensed or leased to a private
82-44 entity by that department under Chapter 91~~[7, 227]~~ or 361,
82-45 Transportation Code; or

82-46 (2) a leasehold or other possessory interest granted
82-47 by the Texas Department of Transportation in a facility owned by
82-48 that department that is [~~part of the Trans-Texas Corridor, is~~] a
82-49 rail facility or system~~[7]~~ or is a highway in the state highway
82-50 system.

82-51 SECTION 12.03. Section 25.07(c), Tax Code, is amended to
82-52 read as follows:

82-53 (c) Subsection (a) does not apply to:

82-54 (1) any portion of a facility owned by the Texas
82-55 Department of Transportation that is [~~part of the Trans-Texas~~
82-56 ~~Corridor, is~~] a rail facility or system~~[7]~~ or is a highway in the
82-57 state highway system and that is licensed or leased to a private
82-58 entity by that department under Chapter 91~~[7, 227]~~ or 361,
82-59 Transportation Code; or

82-60 (2) a leasehold or other possessory interest granted
82-61 by the Texas Department of Transportation in a facility owned by
82-62 that department that is [~~part of the Trans-Texas Corridor, is~~] a
82-63 rail facility or system~~[7]~~ or is a highway in the state highway
82-64 system.

82-65 SECTION 12.04. Sections 201.616(a) and (b), Transportation
82-66 Code, are amended to read as follows:

82-67 (a) Not later than December 1 of each year, the department
82-68 shall submit a report to the legislature that details:

82-69 (1) the expenditures made by the department in the

83-1 preceding state fiscal year in connection with:

83-2 (A) the unified transportation program of the
83-3 department;

83-4 (B) turnpike projects and toll roads of the
83-5 department; and

83-6 (C) [~~the Trans-Texas Corridor,~~
83-7 [~~(D)~~] rail facilities described in Chapter 91;

83-8 [~~and~~
83-9 [~~(E) non-highway facilities on the Trans-Texas~~
83-10 ~~Corridor if those expenditures are subject to Section 227.062(c),]~~

83-11 (2) the amount of bonds or other public securities
83-12 issued for transportation projects; and

83-13 (3) the direction of money by the department to a
83-14 regional mobility authority in this state.

83-15 (b) The report must break down information under Subsection
83-16 (a)(1)(A) by program category and department district. The report
83-17 must break down information under Subsections (a)(1)(B) and [~~]~~
83-18 (C) [~~], (D), and (E)] and Subsection (a)(3) by department district.
83-19 The report must break down information under Subsection (a)(2) by
83-20 department district and type of project.~~

83-21 SECTION 12.05. Section 202.112(a), Transportation Code, is
83-22 amended to read as follows:

83-23 (a) The commission may purchase an option to acquire
83-24 property for possible use in or in connection with a transportation
83-25 facility [~~, including a facility as defined by Section 227.001,~~
83-26 before a final decision has been made as to whether the
83-27 transportation facility will be located on that property.

83-28 SECTION 12.06. Section 222.003(e), Transportation Code, is
83-29 amended to read as follows:

83-30 (e) The proceeds of bonds and other public securities issued
83-31 under this section may not be used for any purpose other than any
83-32 costs related to the bonds and other public securities and the
83-33 purposes for which revenues are dedicated under Section 7-a,
83-34 Article VIII, Texas Constitution. [~~The proceeds of bonds and other~~
83-35 ~~public securities issued under this section may not be used for the~~
83-36 ~~construction of a state highway or other facility on the~~
83-37 ~~Trans-Texas Corridor. For purposes of this section, the~~
83-38 ~~"Trans-Texas Corridor" means the statewide system of multimodal~~
83-39 ~~facilities under the jurisdiction of the department that is~~
83-40 ~~designated by the commission, notwithstanding the name given to~~
83-41 ~~that corridor.]~~

83-42 amended to read as follows:

83-43 (a) Subject to Section 223.202, the department may enter
83-44 into a comprehensive development agreement with a private entity to
83-45 design, develop, finance, construct, maintain, repair, operate,
83-46 extend, or expand

83-47 (1) toll project;

83-48 (2) [~~facility] or a combination of facilities on the~~
83-49 ~~Trans-Texas Corridor;~~

83-50 [~~(3)~~] state highway improvement project that includes
83-51 both tolled and nontolled lanes and may include nontolled
83-52 appurtenant facilities;

83-53 (3) [~~(4)~~] state highway improvement project in which
83-54 the private entity has an interest in the project; or

83-55 (4) [~~(5)~~] state highway improvement project financed
83-56 wholly or partly with the proceeds of private activity bonds,

83-57 amended by Section 11(a), Act of 1987.
83-58 SECTION 12.07. Section 223.206(d), Transportation Code, is
83-59 amended to read as follows:

83-60 (d) The department may not enter into a comprehensive
83-61 development agreement with a private entity under this subchapter
83-62 [~~or Section 227.023]~~ that provides for the lease, license, or other
83-63 use of rights-of-way or related property by the private entity for
83-64 the purpose of constructing, operating, or maintaining an ancillary
83-65 facility that is used for commercial purposes.

83-66 SECTION 12.08. Sections 223.208(c) ~~_____~~ and (f),
83-67 Transportation Code, are amended to read as follows:

83-68 (c) The department may enter into a comprehensive
83-69

84-1 development agreement under this subchapter [~~or under Section~~
84-2 ~~227.023(e)~~] with a private participant only if the project is
84-3 identified in the department's unified transportation program or is
84-4 located on a transportation corridor identified in the statewide
84-5 transportation plan.

84-6 ~~Nothing shall be construed to mean anything in Section 201.112 of the~~
84-7 ~~law to the contrary, and subject to compliance with the dispute~~
84-8 ~~resolution procedures set out in the comprehensive development~~
84-9 ~~agreement, an obligation of the commission or the department under~~
84-10 ~~a comprehensive development agreement entered into under this~~
84-11 ~~subchapter [~~or Section 227.023(e)~~] to make or secure payments to a~~
84-12 ~~person because of the termination of the agreement, including the~~
84-13 ~~purchase of the interest of a private participant or other investor~~
84-14 ~~in a project, may be enforced by writ of mandamus against the commission,~~
84-15 ~~the department, and the comptroller in the district court of Travis~~
84-16 ~~County, and the sovereign immunity of the state is waived for that~~
84-17 ~~purpose. The district courts of Travis County shall have exclusive~~
84-18 ~~jurisdiction and venue over and to determine and adjudicate all~~
84-19 ~~issues necessary to adjudicate any action brought under this~~
84-20 ~~subsection. The remedy provided by this subsection is in addition~~
84-21 ~~to any legal and equitable remedies that may be available to a party.~~

84-22
84-23 (f) A comprehensive development agreement entered into
84-24 under this subchapter [~~or Section 227.023(e)~~] and any obligations
84-25 incurred, issued, or owed under the agreement does not constitute a
84-26 state security under Chapter 1231, Government Code.

84-27 SECTION 12.09. Chapter 371, Transportation Code, as added
84-28 by Chapters 103 (H.B. 570) and 258 (S.B. 11), Acts of the 80th
84-29 Legislature, Regular Session, 2007, is reenacted, redesignated as
84-30 Chapter 372, Transportation Code, and amended to read as follows:

84-31 CHAPTER 372 [~~371~~]. PROVISIONS APPLICABLE TO MORE THAN ONE TYPE OF
84-32 TOLL PROJECT

84-33 SUBCHAPTER A. GENERAL PROVISIONS
84-34 Sec. 372.001 [~~371.001~~]. DEFINITIONS. In this chapter:

84-35 (1) "Toll project" means a toll project described by
84-36 Section 201.001(b), regardless of whether the toll project:
84-37 (A) is a part of the state highway system; or
84-38 (B) is subject to the jurisdiction of the
84-39 department.

84-40 (2) "Toll project entity" means an entity authorized
84-41 by law to acquire, design, construct, finance, operate, and
84-42 maintain a toll project, including:

- 84-43 (A) the department under Chapter [~~227 or~~] 228;
- 84-44 (B) a regional tollway authority under Chapter
84-45 366;
- 84-46 (C) a regional mobility authority under Chapter
84-47 370; or
- 84-48 (D) a county under Chapter 284.

84-49 SUBCHAPTER B. TOLL PROJECT OPERATION

84-50 Sec. 372.051 [~~371.051~~]. USE OF MOTOR VEHICLE REGISTRATION
84-51 OR LICENSE PLATE INFORMATION. (a) A toll project entity may not
84-52 use motor vehicle registration or other information derived from a
84-53 license plate on a vehicle using a toll project, including
84-54 information obtained by the use of automated enforcement technology
84-55 described by Section 228.058, for purposes other than those related
84-56 to:

- 84-57 (1) toll collection and toll collection enforcement;
- 84-58 and
- 84-59 (2) law enforcement purposes on request by a law
84-60 enforcement agency [~~, subject to Section 228.058(d)~~].

84-61 (b) If a toll project entity enters into an agreement with
84-62 an entity in another state that involves the exchange of motor
84-63 vehicle registration or license plate information for toll
84-64 collection or toll collection enforcement purposes, the agreement
84-65 must provide that the information may not be used for purposes other
84-66 than those described in Subsection (a).

84-67 Sec. 372.052 [~~371.001~~]. VEHICLES USED BY NONPROFIT DISASTER
84-68 RELIEF ORGANIZATIONS. [~~(a) In this section:~~

84-69 [~~(1) "Toll project" means a toll project described by~~

85-1 ~~Section 201.001(b), regardless of whether the toll project is:~~
85-2 ~~[(A) a part of the state highway system, or~~
85-3 ~~[(B) subject to the jurisdiction of the~~
85-4 ~~department.~~

85-5 ~~[(2) "Toll project entity" means an entity authorized~~
85-6 ~~by law to acquire, design, construct, finance, operate, and~~
85-7 ~~maintain a toll project, including:~~

- 85-8 ~~[(A) the department under Chapter 227 or 228,~~
- 85-9 ~~[(B) a regional tollway authority under Chapter~~
- 85-10 ~~366,~~
- 85-11 ~~[(C) a regional mobility authority under Chapter~~
- 85-12 ~~370, or~~
- 85-13 ~~[(D) a county under Chapter 284.~~

85-14 ~~[(b)] A toll project entity may not require a vehicle~~
85-15 ~~registered under Section 502.203 to pay a toll for the use of a toll~~
85-16 ~~project.~~

85-17 SECTION 12.10. Section 371.001(2), Transportation Code, as
85-18 added by Chapter 264 (S.B. 792), Acts of the 80th Legislature,
85-19 Regular Session, 2007, is amended to read as follows:

85-20 (2) "Toll project entity" means an entity authorized
85-21 by law to acquire, design, construct, operate, and maintain a toll
85-22 project, including:

- 85-23 (A) the department ~~[, including under Chapter~~
- 85-24 ~~227];~~
- 85-25 (B) a regional tollway authority under Chapter
- 85-26 366;
- 85-27 (C) a regional mobility authority under Chapter
- 85-28 370; or
- 85-29 (D) a county under Chapter 284.

85-30 SECTION 12.11. The following provisions of the
85-31 Transportation Code are repealed:

- 85-32 (1) Section 201.618(e);
- 85-33 (2) Chapter 227;
- 85-34 (3) Section 284.0032;
- 85-35 (4) Section 366.305;
- 85-36 (5) Section 370.316; and
- 85-37 (6) Section 545.3531.

85-39 SECTION 20.01. Chapter 451, Transportation Code, is amended
85-40 by adding Subchapter R to read as follows:

SUBCHAPTER R. URBAN TRANSPORTATION AUTHORITIES

85-41 Sec. 451.901. DEFINITIONS. (a) In this subchapter:

- 85-42 (1) "Advanced transportation district" means a
- 85-43 district created or operating under Subchapter O.
- 85-44 (2) "Authority" means a rapid transit authority
- 85-45 created or operating under this chapter.
- 85-46 (3) "Board" means the governing body of an urban
- 85-47 transportation authority, except as otherwise provided by this
- 85-48 subchapter.
- 85-49 (4) "Comprehensive advanced transportation" means the
- 85-50 design, construction, extension, expansion, improvement,
- 85-51 reconstruction, alteration, acquisition, financing, and
- 85-52 maintenance of mass transit, light rail, commuter rail, intercity
- 85-53 municipal rail, freight rail, fixed guideways, traffic management
- 85-54 systems, bus ways, bus lanes, technologically advanced bus transit
- 85-55 vehicles and systems, bus rapid transit vehicles and systems,
- 85-56 passenger amenities, transit centers, stations, parking facilities
- 85-57 and payment mechanisms, sidewalks, bicycle lanes, electronic
- 85-58 transit-related information, fare collection and operating
- 85-59 systems, high occupancy vehicle lanes, bridges, traffic signal
- 85-60 prioritization and coordination systems, monitoring systems,
- 85-61 tracks and rail line switching and signaling equipment, operating
- 85-62 equipment, depots, locomotives, rolling stock, maintenance
- 85-63 facilities, other real and personal property associated with a rail
- 85-64 operation and transit-oriented development, and other
- 85-65 comprehensive advanced transportation facilities, equipment,
- 85-66 operation, comprehensive transportation systems, and services,
- 85-67 including planning, feasibility studies, operations, and
- 85-68 professional and other services in connection with these
- 85-69

SECTION 12.12. The changes in law made by this Act to Sections 11.11(j), 25.06(c)(1), and 25.07(c)(1), Tax Code, do not apply to any portion of a facility owned by the Texas Department of Transportation that is part of the SH 130, Segments 5 and 6 project, or to a leasehold or other possessory interest in a facility owned by the Texas Department of Transportation that is part of the SH 130, Segments 5 and 6 project. Sections 11.11(j), 25.06(c)(1), and 25.07(c)(1), Tax Code, as those sections existed immediately before the effective date of this Act, are continued in effect for those purposes.

(C) a regional mobility authority under Chapter 370,

(D) a county under Chapter 284.

SECTION 14.15. The following provisions of the Transportation Code are repealed:

- (1) Section 201.001;
- (2) Chapter 284;
- (3) Section 284.0032;
- (4) Section 366.305;
- (5) Section 370.316; and
- (6) Section 545.2521.

ARTICLE 13. AVIATION

SECTION 21.01. Section 21.067, Transportation Code, is amended to read as follows:

Sec. 21.067. TEXAS AIRPORT DIRECTORY. (a) The department may:

- (1) issue the Texas Airport Directory;
- (2) sell advertising in the directory; and
- (3) advertise the ~~[sale of the]~~ directory in other publications.

(b) The department may not ~~[shall]~~ charge a fee ~~[not less than \$5]~~ for furnishing the Texas Airport Directory.

ASSISTANCE

SECTION 16.01. Section 16.01, Transportation Code, is amended by striking Subsection (a) and Subsection (c) to read as follows:

interconnectivity with other federally designated high-speed rail

2 corporate

3 Sec. 124. REPORTS. The department annually shall submit
4 a report regarding the activities of the department and the
5 corporation under this chapter to:

6 (1) the governor;

7 (2) the lieutenant governor;

8 (3) the speaker of the house of representatives; and

9 the standing committee of each house of the
10 legislature that has primary jurisdiction over rail transportation.

11 Subs.

12 ARTICLE 14. MEMORIAL SIGN PROGRAM

13 SECTION 1 .01. (a) Sections 201.909(e), (f), and (g),
14 Transportation Code, are amended to read as follows:

15 (e) If the application meets the department's requirements
16 and the applicant pays the memorial sign fee, the department shall
17 erect a sign. A sign posted under this section may remain posted
18 for two years [~~one year~~]. At the end of the two-year [~~one-year~~]
19 period the department may release the sign to the applicant. The
20 department is not required to release a sign that has been damaged.

21 (f) A sign posted under this section that is damaged shall
22 be removed by the department. Except as provided in Subsection
23 (g), the department may post a new sign if it has been less than two
24 years [~~one year~~] from the posting of the original sign and a person:

25 (1) submits a written request to the department to
26 replace the sign; and

27 (2) submits a replacement fee in the amount provided

1 under Subsection (d)(2).

2 (g) During the two-year [~~one-year~~] posting period the
3 department shall replace a sign posted under this section that is
4 damaged because of the department's negligence.

5 (b) If the Texas Department of Transportation determines or
6 is informed by the applicable federal agency that the change in law
7 to Section 201.909, Transportation Code, as amended by this
8 section, would result in the loss to the department or this state of
9 federal funds, the Texas Department of Transportation:

10 (1) is not required to comply with Section 201.909,
11 Transportation Code, as amended by Subsection (a) of this section,
12 but shall comply with Section 201.909, Transportation Code, as that
13 section existed immediately before the effective date of this Act;
14 and

15 (2) not later than January 1, 2011, shall submit a
16 report to the lieutenant governor and the speaker of the house of
17 representatives regarding the determination by the department or
18 the applicable federal agency.

19 ARTICLE 15. TRANSPORTATION PROJECT FINANCING

20 SECTION 15.01. Section 201.943(d), Transportation Code, is
21 amended to read as follows:

22 (d) Obligations may be issued for one or more of the
23 following purposes:

24 (1) to pay all or part of the costs of constructing,
25 reconstructing, acquiring, and expanding state highways, including
26 any necessary design and acquisition of rights-of-way, in the
27 manner and locations determined by the commission that, according

1 to conclusive findings of the commission, have an expected useful
2 life, without material repair, of not less than 10 years;

3 (2) to provide participation by the state in the
4 payment of part of the costs of constructing and providing publicly
5 owned toll roads and other public transportation projects that are
6 determined by the commission to be in the best interests of the
7 state in its major goal of improving the mobility of the residents
8 of the state;

9 (3) to make loans or grants to public entities,
10 including the department, for the purposes described in Subdivisions
11 (1) and (2);

12 (4) [~~3~~] to create debt service reserve accounts;

13 (5) [~~4~~] to pay interest on obligations for a period
14 of not longer than two years;

15 (6) [~~5~~] to refund or cancel outstanding obligations;
16 and

17 (7) [~~6~~] to pay the commission's costs of issuance.

18 SECTION 15.02. Section 222.103(a), Transportation Code, is
19 amended to read as follows:

20 (a) The department may participate, by spending money from
21 any available source, in the cost of the acquisition, construction,
22 maintenance, or operation of a toll facility of a public or private
23 entity on terms and conditions established by the commission. The
24 commission:

25 (1) may require the repayment of any money, including
26 money from the Texas Mobility Fund, that is spent by the department
27 for the cost of a toll facility of a public entity; and

1 (2) shall require the repayment of any money spent by
2 the department for the cost of a toll facility of a private entity.

3 ARTICLE 16. NOTIFICATION BY DEPARTMENT REGARDING HIGHWAY
4 CONSTRUCTION PROJECTS.

5 SECTION 16.01. Section 203.022(c), Transportation Code, is
6 amended to read as follows:

7 (c) The department shall by rule provide procedures for
8 informing adjoining property owners and affected local governments
9 and public officials of impending construction. The rules must
10 require the department to provide written notice to the governing
11 body of a municipality not later than the 14th day before the date
12 the department begins construction of a state highway project in
13 the municipality. The department may provide the notice in an
14 electronic format, if requested by the governing body of the
15 municipality.

6 ~~ARTICLE 22. PHOTOGRAPHIC TRAFFIC SIGNAL ENFORCEMENT SYSTEMS~~

7 ~~SECTION 22.01. (a) Subchapter D, Chapter 201,~~
8 ~~Transportation Code, is amended by adding Section 201.210 to read~~
9 ~~as follows:~~

10 ~~Sec. 201.210. DEPARTMENT APPROVAL. (a) The department has~~
11 ~~jurisdiction regarding photographic traffic signal enforcement~~
12 ~~systems in this state and shall adopt rules regarding photographic~~
13 ~~traffic signal enforcement systems in this state, including:~~

- 14 ~~(1) the specifications for the systems;~~
15 ~~(2) the identification of intersections where a~~
16 ~~system may be installed; and~~
~~(3) the operation and maintenance of the systems.~~

(b) The department may not approve the implementation or operation of a photographic traffic signal enforcement system that was not in operation on June 1, 2009, or for which a contract for the administration or enforcement of the system had not been entered into by a local authority on or before that date.

(c) A local authority may not enter into a contract for the administration or enforcement of a photographic traffic signal enforcement system after June 1, 2009. A contract for the administration or enforcement of such a system entered into by a local authority on or before June 1, 2009, may not be renewed or the term of the contract extended.

(d) The department by rule shall require that the change interval in a light equipped with a photographic traffic signal enforcement system must be at least one second longer than the minimum change interval established in accordance with the Texas Manual on Uniform Traffic Control Devices.

(b) This subsection and Subsection (a) of this section take effect immediately if this Act receives a vote of two thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this subsection and Subsection

ARTICLE 17. REGIONAL MOBILITY AUTHORITIES

SECTION 17.01. Sections 370.003(12) and (14), Transportation Code, are amended to read as follows:

(12) "Surplus revenue" means revenue that exceeds:

(A) an authority's debt service requirements for

1 a transportation project, including the redemption or purchase
2 price of bonds subject to redemption or purchase as provided in the
3 applicable bond proceedings;

4 (A-1) an authority's payment obligations under a
5 contract or agreement authorized by this chapter;

6 (B) coverage requirements of a bond indenture for
7 a transportation project;

8 (C) costs of operation and maintenance for a
9 transportation project;

10 (D) cost of repair, expansion, or improvement of
11 a transportation project;

12 (E) funds allocated for feasibility studies; and

13 (F) necessary reserves as determined by the
14 authority.

15 (14) "Transportation project" means:

16 (A) a turnpike project;

17 (B) a system;

18 (C) a passenger or freight rail facility,
19 including:

20 (i) tracks;

21 (ii) a rail line;

22 (iii) switching, signaling, or other
23 operating equipment;

24 (iv) a depot;

25 (v) a locomotive;

26 (vi) rolling stock;

27 (vii) a maintenance facility; and

; and
¶ (O) improvements in a transportation
reinvestment zone designated under
Subchapter E, Chapter 222.

1 (viii) other real and personal property
2 associated with a rail operation;

3 (D) a roadway with a functional classification
4 greater than a local road or rural minor collector;

5 (E) a ferry;

6 (F) an airport, other than an airport that on
7 September 1, 2005, was served by one or more air carriers engaged in
8 scheduled interstate transportation, as those terms were defined by
9 14 C.F.R. Section 1.1 on that date;

10 (G) a pedestrian or bicycle facility;

11 (H) an intermodal [~~intermodal~~] hub;

12 (I) an automated conveyor belt for the movement
13 of freight;

14 (J) a border crossing inspection station;

15 (K) an air quality improvement initiative;

16 (L) a public utility facility;

17 (M) a transit system;

18 (M-1) a parking area, structure, or facility, or
19 a collection device for parking fees; [and]

20 (N) if applicable, projects and programs listed
21 in the most recently approved state implementation plan for the
22 area covered by the authority, including an early action compact.

23 SECTION 17.02. Section 370.004(a), Transportation Code, is
24 amended to read as follows:

25 (a) The cost of acquisition, construction, improvement,
26 extension, or expansion of a transportation project under this
27 chapter includes the cost of:

- 1 (1) the actual acquisition, construction,
2 improvement, extension, or expansion of the transportation
3 project;
- 4 (2) the acquisition of real property, rights-of-way,
5 property rights, easements, and other interests in real property;
- 6 (3) machinery and equipment;
- 7 (4) interest payable before, during, and for not more
8 than three years after acquisition, construction, improvement,
9 extension, or expansion as provided in the bond proceedings;
- 10 (5) traffic estimates, revenue estimates, engineering
11 and legal services, plans, specifications, surveys, appraisals,
12 construction cost estimates, and other expenses necessary or
13 incidental to determining the feasibility of the acquisition,
14 construction, improvement, extension, or expansion;
- 15 (6) necessary or incidental administrative, legal,
16 and other expenses;
- 17 (7) compliance with laws, regulations, and
18 administrative rulings, including any costs associated with
19 necessary environmental mitigation measures;
- 20 (8) financing;
- 21 (9) the assumption of debts, obligations, and
22 liabilities of an entity relating to a transportation project
23 transferred to an authority by that entity; ~~and~~
- 24 (10) expenses related to the initial operation of the
25 transportation project; and
- 26 (11) payment obligations of an authority under a
27 contract or agreement authorized by this chapter in connection with

1 the acquisition, construction, improvement, extension, expansion,
2 or financing of the transportation project.

3 SECTION 17.03. Sections 370.033(a), (f), and (g),
4 Transportation Code, are amended to read as follows:

5 (a) An authority, through its board, may:

6 (1) adopt rules for the regulation of its affairs and
7 the conduct of its business;

8 (2) adopt an official seal;

9 (3) study, evaluate, design, finance, acquire,
10 construct, maintain, repair, and operate transportation projects,
11 individually or as one or more systems, provided that a
12 transportation project that is subject to Subpart C, 23 C.F.R. Part
13 450, is:

14 (A) included in the plan approved by the
15 applicable metropolitan planning organization; and

16 (B) consistent with the statewide transportation
17 plan and the statewide transportation improvement program;

18 (4) acquire, hold, and dispose of property in the
19 exercise of its powers and the performance of its duties under this
20 chapter;

21 (5) enter into contracts or operating agreements with
22 a similar authority, another governmental entity, or an agency of
23 the United States, a state of the United States, the United Mexican
24 States, or a state of the United Mexican States;

25 (6) enter into contracts or agreements necessary or
26 incidental to its powers and duties under this chapter;

27 (7) cooperate and work directly with property owners

1 and governmental entities and officials to support an activity
2 required to promote or develop a transportation project;

3 (8) employ and set the compensation and benefits of
4 administrators, consulting engineers, attorneys, accountants,
5 construction and financial experts, superintendents, managers,
6 full-time and part-time employees, agents, consultants, and other
7 persons as the authority considers necessary or useful;

8 (8-a) participate in the state travel management
9 program administered by the comptroller for the purpose of
10 obtaining reduced airline fares and reduced travel agent fees,
11 provided that the comptroller may charge the authority a fee not to
12 exceed the costs incurred by the comptroller in providing services
13 to the authority;

14 (9) notwithstanding Sections 221.003 and 222.031 and
15 subject to Subsections (j) and (m), apply for, directly or
16 indirectly receive and spend loans, gifts, grants, and other
17 contributions for any purpose of this chapter, including the
18 construction of a transportation project, and receive and spend
19 contributions of money, property, labor, or other things of value
20 from any source, including the United States, a state of the United
21 States, the United Mexican States, a state of the United Mexican
22 States, the commission, the department, a subdivision of this
23 state, or a governmental entity or private entity, to be used for
24 the purposes for which the grants, loans, or contributions are
25 made, and enter into any agreement necessary for the grants, loans,
26 or contributions;

27 (10) install, construct, or contract for the

1 construction of public utility facilities, direct the time and
2 manner of construction of a public utility facility in, on, along,
3 over, or under a transportation project, or request the removal or
4 relocation of a public utility facility in, on, along, over, or
5 under a transportation project;

6 (11) organize a corporation under Chapter 431 for the
7 promotion and development of transportation projects;

8 (12) adopt and enforce rules not inconsistent with
9 this chapter for the use of any transportation project, including
10 tolls, fares, or other user fees, speed and weight limits, and
11 traffic and other public safety rules, provided that an authority
12 must consider the same factors that the Texas Turnpike Authority
13 division of the department must consider in altering a prima facie
14 speed limit under Section 545.354;

15 (13) enter into leases, operating agreements, service
16 agreements, licenses, franchises, and similar agreements with a
17 public or private party governing the party's use of all or any
18 portion of a transportation project and the rights and obligations
19 of the authority with respect to a transportation project;

20 (14) borrow money from or enter into a loan agreement
21 or other arrangement with the state infrastructure bank, the
22 department, the commission, or any other public or private entity;
23 and

24 (15) do all things necessary or appropriate to carry
25 out the powers and duties expressly granted or imposed by this
26 chapter.

27 (f) An authority and a governmental entity may enter into a

1 contract, agreement, interlocal agreement, or other similar
2 arrangement under which the authority may plan, design, construct,
3 or operate a transportation project on behalf of the governmental
4 entity. An authority may enter into a contract with the department
5 under which the authority will plan, develop, operate, or maintain
6 a transportation project on behalf of the department, subject to
7 the transportation project being in the authority's area of
8 jurisdiction. A contract or agreement under this subsection may
9 contain terms and conditions as may be approved by an authority,
10 including payment obligations of the governmental entity and the
11 authority.

12 (g) Payments to be made to an authority under a contract or
13 agreement described by Subsection (f) constitute operating
14 expenses of the transportation project or system that is to be
15 operated under the contract. The contract may extend for the number
16 of years as agreed to by the parties.

17 SECTION 23.04. Sections 370.071(a) and (b), Transportation
18 Code, are amended to read as follows:

19 (a) An authority may pay the expenses of studying the cost
20 and feasibility of a transportation project, the design and
21 engineering of a transportation project, and any other expense
22 relating to the preparation and issuance of bonds for a proposed
23 transportation project by

24 (1) using legally available revenue derived from an
25 existing transportation project;

26 (2) borrowing money and issuing bonds or entering into

SECTION 17.04 Subchapter B, Chapter 370, Transportation Code, is amended by adding Section 370.040 to read as follows:

Sec. 370.040. TOLL COLLECTION. (a) In this section, "tolling services" means the tolling services normally provided through an authority's customer service center or through contracted services provided to the authority, including customer service, customer account maintenance, transponder supply, and toll collection and enforcement.

(b) An authority shall provide, for reasonable compensation, tolling services for a toll project in the geographic boundaries of the authority, regardless of whether the toll project is developed, financed, constructed, and operated under an agreement, including a comprehensive development agreement, with the authority or another entity. Nothing contained in this section shall restrict an authority from agreeing to additional tolling services in an agreement described in Subsection (d). Any such additional tolling services shall be subject to the same provisions that apply to tolling services under this section.

(c) An authority may not provide financial security, including a cash collateral account, for the performance of tolling services it provides under this section if:

(1) the authority determines that providing security could restrict the amount or increase the cost of bonds or other debt obligations the authority may subsequently issue under this chapter; or

(2) the authority is not reimbursed its cost of providing the security.

(d) Before providing tolling services for a toll project under this section, an authority must enter into a written

agreement that sets out the terms and conditions for the tolling services to be provided and the terms of compensation for those services.

(e) Toll revenues are the property of the entity that is entitled to the revenues under a tolling services agreement for the toll project, regardless of who holds or collects the revenues. Toll revenues that are held or collected by an authority under a tolling services agreement that are not the property of the authority are not subject to a claim adverse to the authority or a lien on or encumbrance against property of the authority. Toll revenues that are the property of the authority are not subject to a claim adverse to any other entity or a lien on or encumbrance against property of any other entity.

(f) An authority may agree in a tolling services agreement that its right and obligation to provide services for that toll project under this section are subject to termination for default, and that after any such termination, this section no longer applies to that toll project.

(g) Any public or private entity, including an authority or the department, may agree to fund a cash collateral account for the purpose of providing funds that may be withdrawn as provided in the tolling services agreement because of an authority's failure to make any payment as required by the tolling services agreement. An authority's written commitment to fully or partially fund a cash collateral account conclusively evidences its determination that the commitment does not violate Subsection (c). The department may expend money from any available source for this purpose.

(h) Subsection (b) may be waived by the authority under a written agreement between the authority and the entity developing the toll project.

arrangement under which the authority may plan, design, construct, or operate a transportation project on behalf of the governmental entity. An authority may enter into a contract with the department under which the authority will plan, develop, operate, or maintain a transportation project on behalf of the department, subject to the transportation project being in the authority's area of jurisdiction. A contract or agreement under this subsection may contain terms and conditions that be approved by an authority including payment obligations of the governmental entity and the authority.

(g) Payments to be made to an authority under a contract or agreement described by Subsection (f) constitute operating expenses of the transportation project or system that is to be operated under the contract. The contract may extend for the number

SECTION 17.05. Sections 370.071(a) and (b), Transportation Code, are amended to read as follows:

(a) An authority may pay the expenses of studying the cost and feasibility of a transportation project, the design and engineering of a transportation project, and any other expenses relating to the preparation and issuance of bonds for a proposed transportation project by:

(1) using legally available revenue derived from an existing transportation project;

(2) borrowing money and issuing bonds or entering into a loan agreement payable out of legally available revenue

1 anticipated to be derived from the operation of an existing
2 transportation project; ~~[or]~~

3 (3) pledging to the payment of the bonds or a loan
4 agreement legally available revenue anticipated to be derived from
5 the operation of transportation projects or revenue legally
6 available to the authority from another source; or

7 (4) pledging to the payment of the bonds or a loan
8 agreement the proceeds from the sale of other bonds.

9 (b) Money spent under this section for a proposed
10 transportation project must be reimbursed to the transportation
11 project from which the money was spent from the proceeds of bonds
12 issued for the acquisition and construction of the proposed
13 transportation project, unless the transportation projects are or
14 become part of a system under Section 370.034.

15 SECTION 17.06. Section 370.072(c), Transportation Code, is
16 amended to read as follows:

17 (c) Money in the feasibility study fund may be used only to
18 pay the expenses of studying the cost and feasibility of a
19 transportation project, the design and engineering of a
20 transportation project, and any other expenses relating to:

21 (1) the preparation and issuance of bonds for the
22 acquisition and construction of a proposed transportation project;

23 (2) the financing of the improvement, extension, or
24 expansion of an existing transportation project; and

25 (3) private participation, as authorized by law, in
26 the financing of a proposed transportation project, the refinancing
27 of an existing transportation project or system, or the

1 improvement, extension, or expansion of a transportation project.

2 SECTION 17.07. Section 370.073(a), Transportation Code, is
3 amended to read as follows:

4 (a) One or more municipalities, counties, or other
5 governmental entities, a combination of municipalities, counties,
6 and other governmental entities, or a private group or combination
7 of individuals in this state may pay all or part of the expenses of
8 studying the cost and feasibility of a transportation project, the
9 design and engineering of a transportation project, and any other
10 expenses relating to:

11 (1) the preparation and issuance of bonds for the
12 acquisition or construction of a proposed transportation project by
13 an authority;

14 (2) the improvement, extension, or expansion of an
15 existing transportation project of the authority; or

16 (3) the use of private participation under applicable
17 law in connection with the acquisition, construction, improvement,
18 expansion, extension, maintenance, repair, or operation of a
19 transportation project by an authority.

20 SECTION 17.08. Section 370.113(a), Transportation Code, is
21 amended to read as follows:

22 (a) The principal of, interest on, and any redemption
23 premium on bonds issued by an authority are payable solely from:

24 (1) the revenue of the transportation project for
25 which the bonds are issued;

26 (2) payments made under an agreement with the
27 commission, the department, or other governmental entity as

1 authorized [~~provided~~] by this chapter [~~Subchapter G~~];

2 (3) money derived from any other source available to
3 the authority, other than money derived from a transportation
4 project that is not part of the same system or money derived from a
5 different system, except to the extent that the surplus revenue of a
6 transportation project or system has been pledged for that purpose;
7 [~~and~~]

8 (4) amounts received under a credit agreement relating
9 to the transportation project for which the bonds are issued; and

10 (5) the proceeds of the sale of other bonds.

11 SECTION 17.09. Section 370.114, Transportation Code, is
12 amended to read as follows:

13 Sec. 370.114. EFFECT OF LIEN. (a) A lien on or a pledge of
14 revenue from a transportation project under this chapter or on a
15 reserve, replacement, or other fund established in connection with
16 a bond issued under this chapter or an agreement entered into under
17 this chapter:

18 (1) is enforceable at the time of payment for and
19 delivery of the bond or on the effective date of the agreement;

20 (2) applies to each item on hand or subsequently
21 received;

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

24 (4) is enforceable against any person having a claim,
25 in tort, contract, or other remedy, against the applicable
26 authority without regard to whether the person has notice of the
27 lien or pledge.

1 (b) A copy of any bond resolution shall [~~is not required to~~
2 be maintained [~~recorded except~~] in the regular records of the
3 authority.

4 SECTION 17.10. Section 370.172, Transportation Code, is
5 amended by amending Subsection (b) and adding Subsection (k) to
6 read as follows:

7 (b) Tolls, fees, fares, or other charges must be set at
8 rates or amounts so that the aggregate of tolls, fees, fares, or
9 other charges from an authority's transportation project, together
10 with other revenue of the transportation project:

11 (1) provides revenue sufficient to pay:

12 (A) the cost of maintaining, repairing, and
13 operating the transportation project; [~~and~~]

14 (B) the principal of and interest on any bonds
15 issued for the transportation project as those bonds become due and
16 payable; and

17 (C) any other payment obligations of an authority
18 under a contract or agreement authorized under this chapter; and

19 (2) creates reserves for a purpose listed under
20 Subdivision (1).

21 (k) Notwithstanding any other provision of this chapter to
22 the contrary, an authority may pledge all or any part of its
23 revenues and any other funds available to the authority to the
24 payment of any obligations of the authority under a contract or
25 agreement authorized by this chapter.

26 SECTION 17.11. Section 370.173(c), Transportation Code, is
27 amended to read as follows:

1 (c) The authority may use money in the revolving fund to:

2 (1) finance the acquisition, construction,
3 maintenance, or operation of a transportation project, including
4 the extension, expansion, or improvement of a transportation
5 project;

6 (2) provide matching money required in connection with
7 any federal, state, local, or private aid, grant, or other funding,
8 including aid or funding by or with public-private partnerships;

9 (3) provide credit enhancement either directly or
10 indirectly for bonds issued to acquire, construct, extend, expand,
11 or improve a transportation project;

12 (4) provide security for or payment of future or
13 existing debt for the design, acquisition, construction,
14 operation, maintenance, extension, expansion, or improvement of a
15 transportation project or system;

16 (5) borrow money and issue bonds, promissory notes, or
17 other indebtedness payable out of the revolving fund for any
18 purpose authorized by this chapter; and

19 (6) provide for any other reasonable purpose that
20 assists in the financing of an authority as authorized by this
21 chapter.

22 SECTION 17.12. Section 370.177, Transportation Code, is
23 amended by adding Subsection (1) to read as follows:

24 (1) In addition to the other powers and duties provided by
25 this chapter, with regard to its toll collection and enforcement
26 powers for its turnpike projects or other toll projects developed,
27 financed, constructed, and operated under an agreement, including a

1 comprehensive development agreement, with the authority or another
2 entity, an authority has the same powers and duties as the
3 department under Chapter 228, a county under Chapter 284, and a
4 regional tollway authority under Chapter 366.

5 SECTION 17.13. Sections 370.251(a) and (b), Transportation
6 Code, are amended to read as follows:

7 (a) Except as provided by Subsection (a-1), the governing
8 body of an authority is a board of directors consisting of
9 representatives of each county in which a transportation project of
10 the authority is located or is proposed to be located. The
11 commissioners court of each county that initially forms the
12 authority shall appoint at least two directors to the
13 board. Additional directors may be appointed to the board at the
14 time of initial formation by agreement of the counties creating the
15 authority to ensure fair representation of political subdivisions
16 in the counties of the authority that will be affected by a
17 transportation project of the authority, provided that the number
18 of directors must be an odd number. The commissioners court of a
19 county that is subsequently added to the authority shall appoint at
20 least one director to the board. The governor shall appoint one
21 director to the board who shall serve as the presiding officer of
22 the board and shall appoint an additional director to the board if
23 an appointment is necessary to maintain an odd number of directors
24 on the board.

25 (b) The appointment [~~Unless the commissioners courts~~] of
26 additional directors from a county subsequently added to an [~~the~~
27 ~~counties of the~~] authority or from a [~~unanimously agree otherwise,~~

1 ~~the commissioners court of each~~ county of an authority that
2 contains an operating transportation project of the authority shall
3 be by a process unanimously agreed to by the commissioners courts of
4 all the counties of the authority [~~appoint one additional~~
5 ~~director~~].

6 SECTION 17.14. Section 370.303, Transportation Code, is
7 amended by amending Subsections (a) and (b) and adding Subsections
8 (b-1) and (g) to read as follows:

9 (a) A governmental entity [~~other than a nonprofit~~
10 ~~corporation~~] may, consistent with the Texas Constitution, issue
11 bonds, notes, or other obligations or enter into and make payments
12 under agreements with an authority in connection with the
13 financing, acquisition, construction, [~~to acquire, construct,~~
14 ~~maintain,~~] or operation of [~~operate~~] a transportation project by an
15 authority, whether inside or outside the geographic boundaries of
16 the governmental entity, including agreements to pay the principal
17 of, and interest on, bonds, notes, or other obligations issued by
18 the authority and make payments under any related credit
19 agreements. The entity may impose and collect taxes to pay the
20 interest on the bonds and to provide a sinking fund for the
21 redemption of the bonds.

22 (b) In addition to the powers provided by Subsection (a), a
23 governmental entity may, to the extent constitutionally permitted,
24 agree with an authority to:

25 (1) issue bonds, notes, or other obligations;

26 (2) [~~r~~] create:

27 (A) a taxing district;

1 (B) a transportation reinvestment zone under
2 Subchapter E, Chapter 222; or

3 (C) an entity to promote economic development;

4 (3) collect and remit to an authority taxes, fees, or
5 assessments collected for purposes of developing transportation
6 projects;

7 (4) [✓] fund public improvements to promote economic
8 development; [✓] or

9 (5) enter into and make payments under an agreement to
10 acquire, construct, maintain, or operate any portion of a
11 transportation project of the authority.

12 (b-1) An agreement under Subsection (b) may include a means
13 for a local governmental entity to pledge or otherwise provide
14 funds for a transportation project that benefits the governmental
15 entity to be developed by the authority.

16 (g) An agreement under this section may contain repayment or
17 reimbursement obligations of an authority.

18 SECTION 17.15. Section 370.304, Transportation Code, is
19 amended to read as follows:

20 Sec. 370.304. ADDITIONAL AGREEMENTS OF AUTHORITY. An
21 authority may enter into any contract, loan agreement, or other
22 agreement necessary or convenient to achieve the purposes of this
23 subchapter.

24 SECTION 17.16. Section 371.051(a), Transportation Code, as
25 added by Chapter 103 (H.B. 570), Acts of the 80th Legislature,
26 Regular Session, 2007, is amended to read as follows:

27 (a) A toll project entity may not use motor vehicle

1 registration or other information derived from a license plate on a
2 vehicle using a toll project, including information obtained by the
3 use of automated enforcement technology described by Section
4 228.058, for purposes other than those related to:

5 (1) toll collection, ~~and~~ toll collection
6 enforcement, and toll project development and operation; and

7 (2) law enforcement purposes on request by a law
8 enforcement agency [~~subject to Section 228.058(d)~~].

9 SECTION 17.17. Section 370.317(d), Transportation Code, is
10 repealed.

~~SECTION 23.17. Section 370.040, Transportation Code, as
added by this article, does not apply to a segment, extension,
expansion of the Interstate 35/State Highway 130 project in the
previously designated Interstate 35 corridor, or to a segment,
extension, or expansion of the Interstate 69/US Highway 77 project
in the previously designated Interstate 69 corridor. Section
370.040, Transportation Code, as added by this article, may only
apply to a project for which the Texas Department of Transportation
has entered into a contract before the effective date of this Act if
the Texas Department of Transportation transfers a leasehold
interest in the project to the right to operate and retain revenue
from the project, and the Texas Department of Transportation does
not continue to provide tolling services for the project.~~

ARTICLE 24. COUNTY ROAD AND BRIDGE FUND

SECTION 24.01. Section 256.001, Transportation Code, is
amended to read as follows:

Sec. 256.001. USE OF COUNTY ROAD AND BRIDGE FUND. (a)

1 SECTION 17.18. Section 370.040, Transportation Code, as
2 added by this article, does not apply to any segment, extension
3 or expansion of the I-35/SH 130 project within the previously
4 designated Interstate 35 corridor, a segment, extension, or
5 expansion of the I-69/US 77 project within the previously
6 designated Interstate 69 corridor, or any project for which the
7 Texas Department of Transportation has entered into a contract
8 to construct the project before the effective date of this
9 article. Such a project, segment, extension, or expansion is
10 governed by the law as it existed immediately before the
11 effective date of this article, and that law is continued in
12 effect for that purpose. Notwithstanding the foregoing, if
13 there is, pursuant to a contract entered into after the
14 effective date of this article, a transfer of a leasehold
15 interest in, or right to operate and retain revenues from, a
16 project that is not a segment, extension, or expansion of the I-
17 35/SH 130 project within the previously designated Interstate 35
18 corridor or a segment, extension, or expansion of the I-69/US 77
19 project within the previously designated Interstate 69 corridor,
20 and the department does not continue to provide tolling services
21 for the project, Section 370.040 applies.

2 registration or other information derived from a license plate on a
3 vehicle using a toll project, including information obtained by
4 use of automated enforcement technology described by Section
5 228.058, for purposes other than those related to:

6 toll collection, [and] toll collection
7 enforcement, and toll project development and operation; and

8 (2) for enforcement purposes on request by a law
9 enforcement agency [~~subject to Section 228.058(d)~~].

10 SECTION 23.16. Section 370.317(a), Transportation Code, is
11 repealed.

12 SECTION 23.17. Section 370.040, Transportation Code, as
13 added by this article, does not apply to a segment, extension, or
14 expansion of the Interstate 35/State Highway 130 project in the
15 previously designated Interstate 35 corridor, or to a segment,
16 extension, or expansion of the Interstate 67/US Highway 77 project
17 in the previously designated Interstate 67 corridor. Section
18 370.040, Transportation Code, as added by this article, may only
19 apply to a project for which the Texas Department of Transportation
20 has entered into a contract before the effective date of this Act if
21 the Texas Department of Transportation transfers a leasehold
22 interest in the project or the right to operate and retain revenue
23 from the project, and the Texas Department of Transportation do

24 ~~ARTICLE 18. COUNTY ROAD AND BRIDGE FUND~~ ROADS AND BRIDGES

25 SECTION 18.01. Section 256.001, Transportation Code, is
26 amended to read as follows:

27 Sec. 256.001. USE OF COUNTY ROAD AND BRIDGE FUND. (a)

SECTION 18.02. Section 251.054, Transportation Code,
is repealed.

1 Except as otherwise provided by law, ^{money}[Money] in the road and
2 bridge fund of a county may be used only for:

3 (1) working public roads or building bridges;

4 (2) purchasing right-of-way for public roads or
5 bridges; or

6 (3) constructing and maintaining public roads or
7 bridges, including the hiring of labor and the purchase of
8 materials, supplies, and equipment [~~except as otherwise provided by~~
9 law].

10 (b) Money in the fund may be spent only by order of the
11 commissioners court of the county. The court may make the necessary
12 orders for using the money for the purposes provided by this
13 section.

14 (c) The commissioners court, in spending the vehicle
15 registration fees for county road purposes, shall regard the roads
16 and highways of the county as a system to be built, improved, and
17 maintained as a whole to the best interests and welfare of all the
18 people of the county and of all the precincts of the county.

19
20 SECTION 25.01. Subchapter B, Chapter 225, Transportation
21 Code, is amended by adding Section 225.080 to read as follows:

22 Sec. 225.080. TROOPER TODD DYLAN HOLMES MEMORIAL OVERPASS.

23 (a) The structure on U.S. Highway 259 that passes over State
24 Highway 155 in Upshur County is designated as the Trooper Todd Dylan
25 Holmes Memorial Overpass.

26 (b) Subject to Section 225.021(c), the department shall:

27 (1) design and construct the overpass in accordance with

1 highway number, the designation as the Trooper Todd Dylam Holmes
2 Memorial Overpass, and any other appropriate information; and

3 (2) erect a marker:

4 (A) at each end of the structure and at
5 appropriate intermediate sites along the structure, including a
6 site that is visible to a vehicle traveling on State Highway 155 as
7 the vehicle travels under the structure; and

8 (B) on each side of State Highway 155 at a site

9 that is visible to a vehicle.

10 ARTICLE 19. HIGHWAY, OVERPASS, AND BRIDGE DESIGNATIONS

11 SECTION 19.01. Subchapter B, Chapter 225, Transportation
12 Code, is amended by adding Sections 225.081 and 225.082 to read as
13 follows:

14 Sec. 225.081. BUDDY WEST MEMORIAL OVERPASS. (a) The
15 structure on Loop 338 that passes over Interstate Highway 20 in
16 Ector County is designated as the Buddy West Memorial Overpass.

17 (b) The department shall:

18 (1) design and construct markers indicating the
19 highway number, the designation as the Buddy West Memorial
20 Overpass, and any other appropriate information; and

21 (2) erect a marker at each end of the structure and at
22 appropriate intermediate sites along the structure.

23 (c) Section 225.021(c) does not apply to this section.

24 Sec. 225.082. REPRESENTATIVE RICHARD C. SLACK BRIDGE. (a) The
25 Presidio International Bridge is designated as the Representative
26 Richard C. Slack Bridge.

27 (b) The department shall:

1 (1) design and construct markers indicating the
2 designation of the bridge as the Representative Richard C. Slack
3 Bridge, and any other appropriate information; and

4 (2) erect a marker at each end of the bridge and at
5 appropriate intermediate sites along the bridge.

6 (c) Section 225.021(c) does not apply to this section.

PAYMENT OF TOLLS

9 SECTION 27.01. Section 228.055, Transportation Code, is
10 amended by amending Subsection (d) and adding Subsection (d-1) to
11 read as follows:

12 (d) It is an exception to the application of Subsection (a)
13 or (c) if the registered owner of the vehicle is a lessor of the
14 vehicle and not later than the 30th day after the date the notice of
15 nonpayment is mailed provides to the department:

16 (1) a copy of the rental, lease, or other contract
17 document covering the vehicle on the date of the nonpayment under
18 Section 228.054, with the name and address of the lessee clearly
19 legible; or

20 (2) electronic data in a form agreed to by the
21 department and the lessor, other than a photograph or scan of a
22 rental or lease contract, that contains the information required
23 under Sections 521.460(c)(1), (2), and (3) covering the vehicle on
24 the date of the nonpayment under Section 228.054.

25 (d-1) If the lessor provides the required information
26 within the period prescribed under Subsection (d), the department
27 may send a notice of nonpayment to the lessee at the address

ated enforcement technology described by Sections 228.060
2 and (b);
3 (2) a [redacted] lease, or other contract
4 document or the [redacted] data [redacted] to the authority under
5 Subsection (c) that shows the defendant was [redacted] of the

7 ARTICLE 20. STATE HIGHWAY TOLL PROJECTS

8 SECTION 20.01. Subchapter B, Chapter 228, Transportation
9 Code, is amended by adding Section 228.060 to read as follows:

10 Sec. 228.060. UNIFORM SIGN PLAN. (a) The commission shall
11 adopt a plan creating uniform standards for toll project signs that
12 include, at a minimum, provisions for spacing, information, and
13 design of the signs to allow a motor vehicle operator to clearly
14 determine:

15 (1) that the operator is entering a tolled highway;

16 (2) any toll payment restriction, including a
17 requirement of transponder-only payment; and

18 (3) the amount of the toll being collected at any toll
19 booth or plaza.

20 (b) Signs containing information under Subsection (a)(1) or
21 (2) must be positioned at a distance from the beginning of the
22 tolled highway or payment restriction, as applicable, that allows a
23 vehicle operator to safely determine not to enter the tolled
24 highway or payment restricted segment.

26 SECTION 20.02. Subchapter B, Chapter 228, Transportation
27 is amended by adding Section 228.0112 to read as follows:

114-2 expenditures made with money in those subaccounts.
 114-3 (d) [(e)] The commission or the department may not
 114-4 (1) revise the formula as provided in the department
 114-5 unified transportation program or a successor document in a manner
 114-6 that results in a decrease of a department district's allocation
 114-7 because of the deposit of a payment into a project subaccount [or
 114-8 commitment to undertake an additional transportation project under
 114-9 Section 228.0111]; or
 114-10 (2) take any other action that would reduce funding
 114-11 allocated to a department district because of the deposit of
 114-12 payment [received from the department or local toll project entity
 114-13 into a project subaccount for a commitment to undertake a
 114-14 additional transportation project under Section 228.0111].
 114-15 SECTION 228.013. Section 228.012, Transportation Code, is
 114-16 amended by this article, applies only to payments received by the
 114-17 Texas Department of Transportation under that section on or after
 114-18 the effective date of this Act. Payments received by the department
 114-19 under Section 228.012, Transportation Code, before the effective
 114-20 date of this Act are governed by the law in effect immediately
 114-21 before the effective date of this Act.

114-22 ARTICLE 21. PHOTOGRAPHIC TRAFFIC SIGNAL ENFORCEMENT SYSTEMS

114-23 SECTION 21.01. Section 707.002, Transportation Code, is
114-24 amended to read as follows:

114-25 Sec. 707.002. AUTHORITY TO PROVIDE FOR CIVIL PENALTY AND
 114-26 INTERSECTION SAFETY COURSE. (a) The governing body of a local
 114-27 authority by ordinance may implement a photographic traffic signal
 114-28 enforcement system and provide that the owner of a motor vehicle is
 114-29 liable to the local authority for a civil penalty if, while facing
 114-30 only a steady red signal displayed by an electrically operated
 114-31 traffic-control signal located in the local authority, the vehicle
 114-32 is operated in violation of the instructions of that
 114-33 traffic-control signal, as specified by Section 544.007(d).

114-34 (b) Instead of a monetary penalty, the ordinance may require
 114-35 that the owner of the motor vehicle successfully complete an
 114-36 intersection safety course. A local authority that requires
 114-37 completion of an intersection safety course may:

- 114-38 (1) charge a fee set by the governing body of the local
- 114-39 authority for the course; and
- 114-40 (2) contract with a third party to provide an
- 114-41 intersection safety course.

114-42 SECTION 22.02. Chapter 707, Transportation Code, is amended
 114-43 by adding Section 707.0021 to read as follows:

114-44 Sec. 707.0021. IMPOSITION OF CIVIL PENALTY ON OWNER OF
 114-45 AUTHORIZED EMERGENCY VEHICLE. (a) In this section, "authorize"
 114-46 emergency vehicle has the meaning assigned by Section 541.201.

114-47 (b) A local authority may not impose or attempt to impose
 114-48 civil penalty under this chapter on the owner of an authorize
 114-49 emergency vehicle.

114-50 (c) This section does not prohibit an employer from taking
 114-51 disciplinary action against an employee who as the operator of a
 114-52 authorized emergency vehicle operated the vehicle in violation of
 114-53 traffic laws.

114-54 SECTION 32.03. Section 1001.002, Education Code, is amended
 114-55 by adding Subsection (d) to read as follows:

114-56 (d) An intersection safety course required by a local
 114-57 authority under Section 707.002, Transportation Code, is exempt
 114-58 from this chapter.

114-59 SECTION 33.01. Subchapter C, Chapter 202, Transportation
 114-60 Code, is amended by adding Section 202.062 to read as follows:

114-61 Sec. 202.062. AGREEMENT TO INSTALL CERTAIN CAMERAS ON
 114-62 RIGHT-OF-WAY. (a) "Automatic license plate
 114-63 identification" means a camera that produces images on which
 114-64 optical character recognition is used to read license plate on
 114-65

114-66 (b) The department may enter into an agreement with
 114-67 a federal law enforcement agency

116-1 at least one instructor per dealer
116-2 education course each month, including at least one instructor
116-3 each year in or near:

- 116-4 (A) Austin;
- 116-5 (B) Dallas and Fort Worth;
- 116-6 (C) El Paso;
- 116-7 (D) Houston; and
- 116-8 (E) San Antonio; and

116-9 (5) has a curriculum review panel for the course that
116-10 consists of at least five independent motor vehicle dealers who
116-11 hold dealer general distinguishing numbers.

116-12 (f) An applicant is not required to comply with Subsection
116-13 (d) if, at the time the application is submitted, a dealer education
116-14 course is not currently approved by the department.

116-15 SECTION 34.02. Section 503.02, Transportation Code, as
116-16 added by this Act, applies only to an application for an original
116-17 independent motor vehicle dealer general distinguishing number
116-18 filed with the Texas Department of Transportation on or after
116-19 September 1, 2010. An application filed before that date is
116-20 governed by the law in effect when the application was filed, and
116-21 the former law is continued in effect for that purpose.

116-22 SECTION 34.03. Not later than January 1, 2010, the Texas
116-23 Department of Transportation shall begin to approve or reject
116-24 applications from providers of dealer education courses under
116-25 Sections 503.029(d) and (e), Transportation Code, as added by this

116-27 ARTICLE 22. USE OF CERTAIN VEHICLES FOR LAW
116-28 ENFORCEMENT PURPOSES

116-29 SECTION 22.01. Subdivisions (1) and (13-a), Section
116-30 541.201, Transportation Code, are amended to read as follows:

116-31 (1) "Authorized emergency vehicle" means:

- 116-32 (A) a fire department or police vehicle;
- 116-33 (B) a public or private ambulance operated by a
116-34 person who has been issued a license by the Texas Department of
116-35 Health;

116-36 (C) a municipal department or public service
116-37 corporation emergency vehicle that has been designated or
116-38 authorized by the governing body of a municipality;

116-39 (D) a private vehicle of a volunteer firefighter
116-40 or a certified emergency medical services employee or volunteer
116-41 when responding to a fire alarm or medical emergency;

116-42 (E) an industrial emergency response vehicle,
116-43 including an industrial ambulance, when responding to an emergency,
116-44 but only if the vehicle is operated in compliance with criteria in
116-45 effect September 1, 1989, and established by the predecessor of the
116-46 Texas Industrial Emergency Services Board of the State Firemen's
116-47 and Fire Marshals' Association of Texas; ~~or~~

116-48 (F) a vehicle of a blood bank or tissue bank,
116-49 accredited or approved under the laws of this state or the United
116-50 States, when making emergency deliveries of blood, drugs,
116-51 medicines, or organs; or

116-52 (G) a vehicle used for law enforcement purposes
116-53 that is owned or leased by a federal governmental entity.

116-54 (13-a) "Police vehicle" means a vehicle ~~[of a~~
116-55 ~~governmental entity primarily]~~ used by a peace officer, as defined
116-56 by Article 2.12, Code of Criminal Procedure, for law enforcement
116-57 purposes that:

- 116-58 (A) is owned or leased by a governmental entity;
- 116-59 (B) is owned or leased by the police department
116-60 of a private institution of higher education that commissions peace
116-61 officers under Section 51.212, Education Code; or

116-62 (C) is:
116-63 (i) a private vehicle owned or leased by the
116-64 peace officer; and

116-65 (ii) approved for use for law enforcement
116-66 purposes by the head of the law enforcement agency that employs the
116-67 peace officer, or by that person's designee, provided that use of
116-68 the private vehicle complies with any applicable rule adopted by
116-69 the commissioners court of a county under Section 170.001, Local

117-1 Government Code.

117-2 SECTION 22.02. Subsection (b), Section 545.421,
117-3 Transportation Code, is amended to read as follows:

117-4 (b) A signal under this section that is given by a police
117-5 officer pursuing a vehicle may be by hand, voice, emergency light,
117-6 or siren. The officer giving the signal must be in uniform and
117-7 prominently display the officer's badge of office. The officer's
117-8 vehicle must bear the insignia of a law enforcement agency,
117-9 regardless of whether the vehicle displays an emergency light [be
117-10 appropriately marked as an official police vehicle].

117-11 SECTION 36.01. Section 683.071, Transportation Code, is
117-12 amended to read as follows:

117-13 Sec. 683.071. DEFINITION. In this subchapter, "junk
117-14 vehicle" means a vehicle that is self-propelled and:

117-15 (1) displays an expired license plate or invalid motor
117-16 vehicle inspection certificate or does not display a license plate
117-17 or motor vehicle inspection certificate; and [have lawful
117-18 attachments to it.

117-19 [(A) ~~an unexpired license plate, and~~
117-20 [(B) ~~a valid motor vehicle inspection~~
117-21 ~~certificate and]~~

117-22 is:
117-23 (A) wrecked, dismantled or partially dismantled
117-24 or discarded; or
117-25 (B) inoperable and has remained inoperable for
117-26 more than:
117-27 (i) 72 consecutive hours, if the vehicle
117-28 is on public property;
117-29 (ii) 30 consecutive days, if the vehicle
117-30 is on private property.

117-31 ARTICLE 37. AUTHORITY OF CERTAIN TRANSPORTATION AND TRANSIT
117-32 AUTHORITIES TO ENFORCE COMPLIANCE WITH HIGH OCCUPANCY VEHICLE LANE
117-33 RESTRICTIONS

117-34 SECTION 37.01. Subchapter B, Chapter 451, Transportation
117-35 Code, is amended by adding Section 451.0615 to read as follows:

117-36 Sec. 451.0615. ENFORCEMENT OF HIGH OCCUPANCY VEHICLE LANES
117-37 (a) In this section:

117-38 (1) "Automated enforcement system" means a system
117-39 that:

117-40 (A) consists of a camera or other electrical or
117-41 mechanical device that produces photographic, electronic, video
117-42 or digital images of a motor vehicle; and
117-43 (B) is used to enforce compliance with
117-44 instructions for high occupancy vehicle lane restrictions.

117-45 (2) "High occupancy vehicle lane" has the meaning
117-46 assigned by Section 224.151.

117-47 (3) "Official traffic-control device" has the meaning
117-48 assigned by Section 541.04 and includes a traffic pylon and double
117-49 white lines on a highway.

117-50 (4) "Owner of a motor vehicle" means the owner of a
117-51 motor vehicle as shown on the motor vehicle registration records of
117-52 the department or the analogous department or agency of another
117-53 state or country.

117-54 (b) A board by resolution may implement an automated
117-55 enforcement system and provide that the owner of a motor vehicle,
117-56 other than an authorized emergency vehicle as defined by Section
117-57 541.201, is liable to the authority for a penalty if the vehicle is
117-58 operated in violation of the instructions of an official
117-59 traffic-control device regarding entering or exiting a high
117-60 occupancy vehicle lane.

117-61 (c) A resolution adopted under Subsection (b) may not
117-62 provide for the imposition of a penalty for a vehicle that is
117-63 operated in violation of the minimum number of persons requirement
117-64 for use of a high occupancy vehicle lane or for the purpose of
117-65 enforcing compliance with posted speed limits.

117-66 (c) The resolution adopted under this section must:
117-67 (1) provide for a penalty of not more than \$100;

Code, is amended by adding Sections 222.108 and 222.109 to read as follows:

Sec. 222.108. TRANSPORTATION REINVESTMENT ZONES FOR THE TRANSPORTATION PROJECTS. (a) Notwithstanding the requirement in Section 222.106(b) and 222.107(b) that a transportation reinvestment zone be established in connection with a project under Section 222.104, a municipality or county may establish a transportation reinvestment zone for any transportation project. If all or part of the transportation project is subject to oversight by the department, at the option of the governing body of the municipality or county, the department may delegate full responsibility for the development, design, letting of bids, and construction of the project, including project oversight and inspection, to the municipality or county.

(b) A transportation project developed under Subsection (a) that is on the state highway system must comply with state design criteria unless the department grants an exception to the municipality or county.

(c) In this section, "transportation project" has the meaning assigned by Section 370.003.

Sec. 222.109. REDUCTION PROHIBITED. (a) A municipality or county may not be penalized with a reduction in traditional transportation funding because of the designation and use of a transportation reinvestment zone under this chapter. Any funding from the department identified for a project before the date that a transportation reinvestment zone is designated may not be reduced because the transportation reinvestment zone is designated in connection with that project.

(b) The department may not reduce any allocation of traditional transportation funding to any of its districts because a district contains a municipality or county that contains a transportation reinvestment zone designated under this chapter.

ARTICLE 23. TERMINATION OF COMPREHENSIVE DEVELOPMENT AGREEMENT BY PURCHASE

SECTION 23.01. Sections 223.208(b) and (h), Transportation Code, are amended to read as follows:

(b) A comprehensive development agreement entered into under this subchapter or Section 227.023(c) must include a provision [may include any provision that the department considers appropriate, including provisions:

[1] providing for the purchase by the department [under terms and conditions agreed to by the parties] of the interest of a private participant in the comprehensive development agreement and related property as required by Section 371.101 and may include any other provision the department considers appropriate, including a provision:

(1) [including any interest in a highway or other facility designed, developed, financed, constructed, operated, or maintained under the comprehensive development agreement;

[2] establishing the purchase price for the interest of a private participant in the comprehensive development agreement and related property, which price may be determined in accordance with the methodology established by the parties in the comprehensive development agreement;

[3] providing for the payment of obligations incurred pursuant to the comprehensive development agreement, including any obligation to pay the purchase price for the interest of a private participant in the comprehensive development agreement, from any lawfully available source, including securing such obligations by a pledge of revenues of the commission or the department derived from the applicable project, which pledge shall have such priority as the department may establish;

(2) [4] permitting the private participant to pledge its rights under the comprehensive development agreement;

(3) [5] concerning the private participant's right to operate and collect revenue from the project; and

(4) [6] restricting the right of the commission or the department to terminate the private participant's right to

99-1 operate and collect revenue from the project unless and until any
99-2 applicable termination payments have been made.

99-3 (h) A comprehensive development agreement with a private
99-4 participant that includes the collection by the private participant
99-5 of tolls for the use of a toll project may be for a term not longer
99-6 than 50 years from the later of the date of final acceptance of the
99-7 project or the start of revenue operations by the private
99-8 participant, not to exceed a total term of 52 years. [The
99-9 ~~comprehensive development agreement must contain an explicit~~
99-10 ~~mechanism for setting the price for the purchase by the department~~
99-11 ~~of the interest of the private participant in the comprehensive~~
99-12 ~~development agreement and related property, including any interest~~
99-13 ~~in a highway or other facility designed, developed, financed,~~
99-14 ~~constructed, operated, or maintained under the agreement.]~~

99-15 SECTION 23.02. Sections 366.407(b) and (g), Transportation
99-16 Code, are amended to read as follows:

99-17 (b) A comprehensive development agreement entered into
99-18 under this subchapter must [may] include [any provision the
99-19 ~~authority considers appropriate, including~~] a provision[+
99-20

99-21 ~~[(1)] providing for the purchase by the authority[,~~
99-22 ~~under terms and conditions agreed to by the parties,] of the~~
99-23 ~~interest of a private participant in the comprehensive development~~
99-24 ~~agreement as required by Section 371.101 and may include any other~~
99-25 ~~provision the authority considers appropriate, including a~~
99-26 ~~provision:~~

99-27 (1) ~~[and related property, including any interest in a~~
99-28 ~~turnpike project designed, developed, financed, constructed,~~
99-29 ~~operated, or maintained under the comprehensive development~~
99-30 ~~agreement,~~

99-31 ~~[(2)] establishing the purchase price, as determined in~~
99-32 ~~accordance with the methodology established by the parties in the~~
99-33 ~~comprehensive development agreement, for the interest of a private~~
99-34 ~~participant in the comprehensive development agreement and related~~
99-35 ~~property,~~

99-36 [(3)] providing for the payment of an obligation
99-37 incurred under the comprehensive development agreement, including
99-38 an obligation to pay the purchase price for the interest of a
99-39 private participant in the comprehensive development agreement,
99-40 from any available source, including securing the obligation by a
99-41 pledge of revenues of the authority derived from the applicable
99-42 project, which pledge shall have priority as established by the
99-43 authority;

99-44 (2) [(4)] permitting the private participant to
99-45 pledge its rights under the comprehensive development agreement;

99-46 (3) [(5)] concerning the private participant's right
99-47 to operate and collect revenue from the turnpike project; and

99-48 (4) [(6)] restricting the right of the authority to
99-49 terminate the private participant's right to operate and collect
99-50 revenue from the turnpike project unless and until any applicable
99-51 termination payments have been made.

99-52 (g) A ~~[Except as provided by this subsection, a]~~
99-53 ~~comprehensive development agreement with a private participant~~
99-54 ~~that includes the collection by the private participant of tolls~~
99-55 ~~for the use of a toll project may be for a term not longer than 50~~
99-56 ~~years from the later of the date of final acceptance of the project~~
99-57 ~~or the start of revenue operations by the private participant, not~~
99-58 ~~to exceed a total term of 52 years. [The contract must contain an~~
99-59 ~~explicit mechanism for setting the price for the purchase by the~~
99-60 ~~department of the interest of the private participant in the~~
99-61 ~~contract and related property, including any interest in a highway~~
99-62 ~~or other facility designed, developed, financed, constructed,~~
99-63 ~~operated, or maintained under the contract.]~~

99-64 SECTION 23.03. Section 370.311(b), Transportation Code, is
99-65 amended to read as follows:

99-66 (b) A comprehensive development agreement entered into
99-67 under Section 370.305 must include a provision authorizing the
99-68 authority to purchase, under terms agreed to by the parties, the
99-69 interest of a private equity investor in a transportation project
99-70 as required by Section 371.101.

100-1 SECTION ~~23~~.04. Section 371.002, Transportation Code, as
 100-2 added by Chapter 264 (S.B. 792), Acts of the 80th Legislature,
 100-3 Regular Session, 2007, is amended to read as follows:

100-4 Sec. 371.002. APPLICABILITY. This chapter does not apply
 100-5 to:

100-6 (1) a project for which the commission selected an
 100-7 apparent best value proposer before May 1, 2007; or

100-8 (2) a publicly owned and operated toll project, as
 100-9 defined by Section 373.001.

100-10 SECTION ~~23~~.05. Section 371.101, Transportation Code, as
 100-11 added by Chapter 264 (S.B. 792), Acts of the 80th Legislature,
 100-12 Regular Session, 2007, is amended to read as follows:

100-13 Sec. 371.101. TERMINATION BY PURCHASE [~~FOR CONVENIENCE~~].

100-14 (a) A comprehensive development agreement must contain a
 100-15 provision authorizing the toll project entity to purchase, under
 100-16 terms agreed to by the parties:

100-17 (1) the interest of a private participant in the toll
 100-18 project that is the subject of the agreement; and

100-19 (2) related property, including any interest in a
 100-20 highway or other facility designed, developed, financed,
 100-21 constructed, operated, or maintained under the agreement.

100-22 (b) The provision must include a schedule stating a specific
 100-23 price for the purchase of the toll project at certain intervals from
 100-24 the date the project opens, not less than one year and not to exceed
 100-25 five years, over the term of the agreement.

100-26 (c) The provision must authorize the toll project entity to
 100-27 purchase the private entity's interest at a stated interval in an
 100-28 amount not to exceed the lesser of:

100-29 (1) the price stated for that interval; or

100-30 (2) the then fair market value of the private entity's
 100-31 interest, provided that the fair market value is not less than the
 100-32 private entity's outstanding debt at that time plus other
 100-33 reasonable costs associated with the purchase as defined in the
 100-34 comprehensive development agreement.

100-35 (d) A toll project entity may not, under any circumstance,
 100-36 purchase the private entity's interest for an amount higher than
 100-37 the stated interval amount.

100-38 (e) A contract provision to purchase the private entity's
 100-39 interest at the then fair market value as described by Subsection
 100-40 (c)(2) must contain a provision, mutually agreed on by the toll
 100-41 project entity and the private participant, detailing the
 100-42 calculation used to determine that value.

100-43 (f) The toll project entity shall request a proposed
 100-44 termination-by-purchase schedule in each request for detailed
 100-45 proposals and shall consider and score each schedule in each
 100-46 evaluation of proposals.

100-47 (g) A private entity shall, not later than 12 months before
 100-48 the date that a new price interval takes effect, notify the toll
 100-49 project entity of the beginning of the price interval. The toll
 100-50 project entity must notify the private entity as to whether it will
 100-51 exercise the option to purchase under this section not later than
 100-52 six months after the date it receives notice under this subsection.

100-53 (h) A toll project entity must notify the private entity of
 100-54 the toll project entity's intention to purchase the private
 100-55 entity's interest under this section not less than six months
 100-56 before the date of the purchase [A toll project entity having
 100-57 rulemaking authority by rule and a toll project entity without
 100-58 rulemaking authority by official action shall develop a formula for
 100-59 making termination payments to terminate a comprehensive
 100-60 development agreement under which a private participant receives
 100-61 the right to operate and collect revenue from a toll project. A
 100-62 formula must calculate an estimated amount of loss to the private
 100-63 participant as a result of the termination for convenience.

100-64 [(b) The formula shall be based on investments,
 100-65 expenditures, and the internal rate of return on equity under the
 100-66 agreed base case financial model as projected over the original
 100-67 term of the agreement, plus an agreed percentage markup on that
 100-68 amount.

100-69 [(c) A formula under Subsection (b) may not include any

~~estimate of future revenue from the project, if not included in an agreed base case financial model under Subsection (b). Compensation to the private participant upon termination for convenience may not exceed the amount determined using the formula under Subsection (b)].~~

SECTION 23.06. Section 371.102, Transportation Code, as added by Chapter 264 (S.B. 792), Acts of the 80th Legislature, Regular Session, 2007, is amended to read as follows:

Sec. 371.102. TERMINATION OF CERTAIN COMPREHENSIVE DEVELOPMENT AGREEMENTS. (a) If a toll project entity elects to terminate a comprehensive development agreement under which a private participant receives the right to operate and collect revenue from a project, the entity may:

(1) ~~[if authorized to issue bonds for that purpose,]~~ issue bonds or other obligations to:

- (A) make any applicable termination payments to the private participant; or
- (B) purchase the interest of the private participant in the comprehensive development agreement or related property; or

(2) provide for the payment of obligations of the private participant incurred pursuant to the comprehensive development agreement.

(b) A toll project entity has the same powers and duties relating to the financing of payments under Subsection (a)(1) as the toll project entity has under other applicable laws of this state, including Chapters 228, 284, 366, and 370 of this code and Chapter 1371, Government Code, relating to the financing of a toll project of that entity, including the ability to deposit the proceeds of bonds or other obligations and to pledge, encumber, and expend the proceeds and revenues of a toll project as provided by law.

(c) The powers held by the toll project entity include the power to authorize the issuance of bonds or other obligations and to pay all or part of the costs of a payment described in Subsection (a)(1), in the amount determined by the toll project entity under Section 371.101. Costs associated with a payment under Subsection (a)(1) are considered a cost of the project.

(d) This section shall be liberally construed to effect its purposes.

SECTION 23.07. ^{article} (a) Section 371.101, Transportation Code, as amended by this Act, does not apply to a comprehensive development agreement for:

(1) the DFW Connector project in Tarrant and Dallas Counties (State Highway 114 from State Highway 114L Business to east of International Parkway and State Highway 121 from north of FM 2499 to south of State Highway 360);

(2) the North Tarrant Express project in Tarrant and Dallas Counties (IH 820 and State Highway 121/State Highway 183 from IH 35W to State Highway 161, IH 820 east from State Highway 121/State Highway 183 to Randol Mill Road, and IH 35W from IH 30 to State Highway 170);

(3) the IH 635 managed lanes project in Dallas County (IH 635 from east of Luna Road to Greenville Avenue and IH 35E from south of the Loop 12/IH 35E split to south of Valwood Parkway);

(4) the Loop 9 project in Dallas County;

(5) a project located south of Refugio County on the ISTEPA High Priority Corridor identified in Sections 1105(c)(18) and (20) of the Intermodal Surface Transportation Efficiency Act of 1991 (Pub. L. No. 102-240), as amended by Section 1211 of the Transportation Equity Act for the 21st Century (Pub. L. No. 105-178, as amended by Title IX, Pub. L. No. 105-206), if the project is part of the highway corridor designated by those laws;

(6) the following projects to be developed in connection with the projects described under Subdivision (5):

- (A) the Corpus Christi Southside Mobility Corridor;
- (B) the State Highway 358 managed lanes project and the State Highway 286 managed lanes project in Nueces County;

102-1 and
102-2 (C) the State Highway 550 spur project and the
102-3 West Loop project in Cameron County; or

102-4 (7) a project on the IH 69 corridor in Bowie County.
102-5 (b) A project described by this section is governed by
102-6 Section 371.101, Transportation Code, as it existed immediately
102-7 before the effective date of this Act, and the former law is
102-8 continued in effect for that purpose.

102-9 SECTION 23.08. The change in law made by this ^{article} Act to Section
102-10 223.208, Transportation Code, does not apply to a project described
102-11 in Section 23.07 of this ^{article} Act. A project described in that section
102-12 is governed by Section 223.208, Transportation Code, as it existed
102-13 immediately before the effective date of this ^{article} Act, and that law is
102-14 continued in effect for that purpose.

102-15 ARTICLE 24. DEVELOPMENT OF TOLL PROJECT IN AREA WITH MORE THAN ONE
102-16 TOLL PROJECT ENTITY

102-17 SECTION 24.01. Section 284.004(b), Transportation Code, is
102-18 amended to read as follows:

102-19 (b) In addition to authority granted by other law, a county
102-20 may use state highway right-of-way and may access state highway
102-21 right-of-way in accordance with Sections 228.011 and 373.102
102-22 [~~228.011~~].

102-23 SECTION 24.02. Section 284.061(d), Transportation Code, is
102-24 amended to read as follows:

102-25 (d) Subject to the reimbursement requirements of Section
102-26 373.102, a [A] county has full easements and rights-of-way through,
102-27 across, under, and over any property owned by this state that are
102-28 necessary or convenient to construct, acquire, or efficiently
102-29 operate a project under this chapter.

102-30 SECTION 24.03. Section 366.170(c), Transportation Code, is
102-31 amended to read as follows:

102-32 (c) An authority has full easements and rights-of-way
102-33 through, across, under, and over any property owned by the state or
102-34 any local governmental entity that are necessary or convenient to
102-35 construct, acquire, or efficiently operate a turnpike project or
102-36 system under this chapter. This subsection does not affect the
102-37 obligation of the authority under other state law, including
102-38 Section 373.102, to compensate or reimburse the state for the use or
102-39 acquisition of an easement or right-of-way on property owned by or
102-40 on behalf of the state. An authority's use of property owned by or
102-41 on behalf of the state is subject to any covenants, conditions,
102-42 restrictions, or limitations affecting that property.

102-43 SECTION 24.04. Section 370.169(c), Transportation Code, is
102-44 amended to read as follows:

102-45 (c) An authority has full easements and rights-of-way
102-46 through, across, under, and over any property owned by the state or
102-47 any local government that are necessary or convenient to construct,
102-48 acquire, or efficiently operate a transportation project or system
102-49 under this chapter. This subsection does not affect the obligation
102-50 of the authority under other law, including Section 373.102, to
102-51 compensate or reimburse this state for the use or acquisition of an
102-52 easement or right-of-way on property owned by or on behalf of this
102-53 state. An authority's use of property owned by or on behalf of this
102-54 state is subject to any covenants, conditions, restrictions, or
102-55 limitations affecting that property.

102-56 SECTION 24.05. Subtitle G, Title 6, Transportation Code, is
102-57 amended by adding Chapter 373 to read as follows:

102-58 CHAPTER 373. TOLL PROJECTS LOCATED IN TERRITORY OF LOCAL TOLL
102-59 PROJECT ENTITY

102-60 SUBCHAPTER A. GENERAL PROVISIONS
102-61 Sec. 373.001. DEFINITIONS. In this chapter:

102-62 (1) "Local toll project entity" means an entity, other
102-63 than the department, that is authorized by law to acquire, design,
102-64 construct, finance, operate, and maintain a toll project,
102-65 including:

- 102-66 (A) a regional tollway authority under Chapter
102-67 366;
- 102-68 (B) a regional mobility authority under Chapter
102-69 370; or

SECTION 23.09. This article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1,

103-1 (C) a county acting under Chapter 284.

103-2 (2) "Privately operated or controlled toll project"

103-3 means a toll project that is primarily commercial in nature and is
103-4 designed and constructed by a private entity that holds a leasehold
103-5 interest in or the right to operate and retain revenues from the
103-6 toll project, regardless of whether the private entity operates the
103-7 toll project or collects the revenue itself or engages a
103-8 subcontractor or other entity to operate the toll project or
103-9 collect the revenue. The term does not include a toll project for
103-10 which the department or a toll project entity contracts with a
103-11 private entity only for engineering, design, construction,
103-12 finance, operation, maintenance, or other services.

103-13 (3) "Publicly owned and operated toll project" means a
103-14 toll project owned and operated by the department or a local toll
103-15 project entity in which a private entity does not have a leasehold
103-16 interest or right to operate or retain revenue from the toll
103-17 project. The term does not include a privately operated or
103-18 controlled toll project, but may include a toll project for which a
103-19 private entity provides:

103-20 (A) engineering, design, construction, finance,
103-21 operation, maintenance, or other services; or

103-22 (B) financial assistance for the toll project
103-23 that does not entitle the private entity to any ownership interest
103-24 in or the right to operate or retain revenue from the toll project.

103-25 (4) "Toll project" means a toll project described by
103-26 Section 201.001(b), regardless of whether the toll project is:

103-27 (A) a part of the state highway system; or

103-28 (B) subject to the jurisdiction of the
103-29 department.

103-30 Sec. 373.002. APPLICABILITY. (a) This chapter does not
103-31 apply to a toll project described in Section 228.011.

103-32 (b) Except for Sections 373.003, 373.004, and 373.005, this
103-33 chapter does not apply to:

103-34 (1) the U.S. 281 project in Bexar County from Loop 1604
103-35 to the Comal County line;

103-36 (2) the Loop 49 project from IH 20 to State Highway 110
103-37 in Smith County;

103-38 (3) the DFW Connector project in Tarrant and Dallas
103-39 Counties (State Highway 114 from State Highway 114L Business to
103-40 east of International Parkway and State Highway 121 from north of FM
103-41 2499 to south of State Highway 360);

103-42 (4) the North Tarrant Express project in Tarrant and
103-43 Dallas Counties (IH 820 and State Highway 121/State Highway 183
103-44 from IH 35W to State Highway 161, IH 820 east from State Highway
103-45 121/State Highway 183 to Randol Mill Road, and IH 35W from IH 30 to
103-46 State Highway 170);

103-47 (5) the U.S. 290 project from east of U.S. 183 to east
103-48 of FM 973 in Travis County;

103-49 (6) the State Highway 99 (Grand Parkway) project;

103-50 (7) the IH 635 managed lanes project in Dallas County
103-51 (IH 635 from east of Luna Road to Greenville Avenue and IH 35E from
103-52 south of the Loop 12/IH 35E split to south of Valwood Parkway);

103-53 (8) Phase 4 extension of the Dallas North Tollway in
103-54 Collin and Denton Counties from U.S. 380 to the Grayson County line
103-55 to be developed by North Texas Tollway Authority;

103-56 (9) the Southwest Parkway (State Highway 121) in
103-57 Tarrant County from Interstate 30 to Dirks Road/Altamesa Boulevard
103-58 and the Chisholm Trail project from Dirks Road/Altamesa Boulevard
103-59 to U.S. Highway 67 in the City of Cleburne; or

103-60 (10) the Loop 9 project in Dallas County;

103-61 ~~project is sold or otherwise transferred to another toll project~~
103-62 ~~entity in accordance with applicable law, including Section~~
103-63 ~~228.151, 284.011, 366.06, 366.172, and 366.173, and a toll project~~
103-64 ~~procured by the department or a local toll project entity~~
103-65 ~~determined by the process under Subchapter B of Chapter 228, or~~
103-66 ~~in any other manner determined by that entity~~
103-67 ~~in accordance with applicable law.~~

103-68 Sec. 373.004. GOVERNMENTAL AND NOT COMMERCIAL

103-69 A transaction involving a toll project is governmental and not commercial if

((INSERT))

(11) the IH 35E managed lanes project in Dallas and Denton Counties from IH 635 to US 380;

(12) the IH 30 managed lanes project from Baird Farm Road in Tarrant County to IH 35E in Dallas County; or

(13) the SH 183 managed lanes project in Dallas County from SH 161 to SH 114 in Irving and from SH 114 to IH 35E in Dallas.

(2) "Privately operated or controlled toll project" means a toll project that is primarily commercial in nature and designed and constructed by a private entity that holds a leasehold interest in or the right to operate and retain revenues from the toll project, regardless of whether the private entity operates the toll project or collects the revenue itself or engages a subcontractor or other entity to operate the toll project or collect the revenue. The term does not include a toll project for which the department or a toll project entity contracts with a private entity only for engineering, design, construction, finance, operation, maintenance, or other services.

(3) "Publicly owned and operated toll project" means a toll project owned and operated by the department or a local toll project entity in which a private entity does not have a leasehold interest or right to operate or retain revenue from the toll project. The term does not include a privately operated or controlled toll project, but may include a toll project for which a private entity provides:

(A) engineering, design, construction, finance, operation, maintenance, or other services; or

(B) financial assistance for the toll project that does not entitle the private entity to any ownership interest in or the right to operate or retain revenue from the toll project.

(4) "Toll project" means a toll project described by Section 201.001(b), regardless of whether the toll project is:

(A) a part of the state highway system; or
(B) subject to the jurisdiction of the department.

Sec. 373.002. APPLICATION. (a) This chapter does not apply to a toll project described in Section 228.011.

(b) Except for Sections 373.003, 373.004, and 373.005, this chapter does not apply to:

(1) the U.S. 291 project in Bexar County from Loop 1604 to the Comal County line;

(2) the Loop 49 project from IH 20 to State Highway 121 in Smith County;

(3) the DFW Connector project in Tarrant and Dallas Counties (State Highway 114 from State Highway 114L Business to east of International Parkway and State Highway 121 from north of FM 2499 to south of State Highway 360);

(4) the North Tarrant Express project in Tarrant and Dallas Counties (IH 820 and State Highway 121/State Highway 181 from IH 35W to State Highway 161, IH 820 east from State Highway 121/State Highway 183 to Randol Mill Road, and IH 35W from IH 30 to State Highway 121);

(5) the U.S. 290 project from east of S. 183 to east of FM 973 in Travis County;

(6) the State Highway 99 (Grand Parkway) project;

(7) the IH 635 managed lanes project in Dallas County (IH 635 from east of Luna Road to Greenville Avenue and IH 35E from south of the Loop 12/IH 35E split to south of Valwood Parkway);

(8) Phase 4 extension of the Dallas North Tollway in Collin and Denton Counties from U.S. 380 to the Grayson County line to be developed by North Texas Tollway Authority;

(9) the Southwest Parkway (State Highway 121) project in Tarrant County from Interstate 30 to Dirks Road/Altamesa Boulevard and the Chisholm Trail project from Dirks Road/Altamesa Boulevard to U.S. Highway 67 in the City of Cleburne; or

Sec. 373.003. PROJECT OWNED IN PERPETUITY. Unless a toll project is sold or otherwise transferred to another toll project entity in accordance with applicable law, including Sections 228.151, 284.011, 366.036, 366.172, and 370.171, a toll project procured by the department or a local toll project entity determined by the process under Subchapter B is owned by that entity in perpetuity.

Sec. 373.004. GOVERNMENTAL AND NOT COMMERCIAL TRANSACTIONS. A transaction involving a local toll project entity

104-1 under Section 228.011 or this chapter is not primarily commercial
104-2 in nature but is an inherently governmental transaction whose
104-3 purpose is to determine governmental jurisdiction, ownership,
104-4 control, or other responsibilities with respect to a project.

104-5 Sec. 373.005. VALUATION DETERMINATION. Any determination
104-6 of value, including best value, under this chapter or other
104-7 applicable federal or state law for a comprehensive development
104-8 agreement or other public-private partnership arrangement
104-9 involving a toll project for which a local toll project entity has
104-10 exercised its option under this chapter and has complied with all
104-11 other conditions in this chapter for the development of the project
104-12 by the local toll project entity must take into consideration
104-13 factors the entity determines appropriate, including factors
104-14 related to:

- 104-15 (1) oversight of the toll project;
- 104-16 (2) maintenance and operations costs of the toll
104-17 project;
- 104-18 (3) the structure and rates of tolls;
- 104-19 (4) economic development impacts of the toll project;
- 104-20 and
- 104-21 (5) social and environmental benefits and impacts of
104-22 the toll project.

104-23 Sec. 373.006. LEGAL CHALLENGES CONCLUDED. For the purposes
104-24 of this chapter, all legal challenges to development of a toll
104-25 project are considered concluded when a judgment or order of a court
104-26 with jurisdiction over the challenge becomes final and
104-27 unappealable.

104-28 [Sections 373.007-373.050 reserved for expansion]

104-29 SUBCHAPTER B. PROCESS TO DETERMINE ENTITY TO DEVELOP, FINANCE,
104-30 CONSTRUCT, AND OPERATE TOLL PROJECT

104-31 Sec. 373.051. INITIATION OF PROCESS. (a) At any time after
104-32 a metropolitan planning organization approves the inclusion of a
104-33 toll project to be located in the territory of a local toll project
104-34 entity in the metropolitan transportation plan, the local toll
104-35 project entity may notify the department in writing of the local
104-36 toll project entity's intent to initiate the process described in
104-37 this subchapter.

104-38 (b) The department may notify the local toll project entity
104-39 in writing of the department's intent to initiate the process
104-40 described in this subchapter at any time after a metropolitan
104-41 planning organization has approved the inclusion of a toll project
104-42 to be located in the territory of a local toll project entity in the
104-43 metropolitan transportation plan and:

- 104-44 (1) the department has issued a finding of no
104-45 significant impact for the project, or for a project for which an
104-46 environmental impact statement is prepared, the department has
104-47 approved the final environmental impact statement for the project;
104-48 or

- 104-49 (2) for a project subject to environmental review
104-50 requirements under federal law, the United States Department of
104-51 Transportation Federal Highway Administration has issued a finding
104-52 of no significant impact, or for a project for which an
104-53 environmental impact statement is prepared, the department has
104-54 submitted a final environmental impact statement to the Federal
104-55 Highway Administration for approval.

104-56 Sec. 373.052. PUBLIC PROJECT BY LOCAL TOLL PROJECT ENTITY.

104-57 (a) A local toll project entity has the first option to develop,
104-58 finance, construct, and operate a toll project as a publicly owned
104-59 and operated toll project. A local toll project entity has not more
104-60 than 180 days after the date on which notification under Section
104-61 373.051(a) is provided or notification under Section 373.051(b) is
104-62 received to decide whether to exercise the option, unless the
104-63 United States Department of Transportation Federal Highway
104-64 Administration issues a record of decision for an environmental
104-65 impact statement submitted by the department under Section
104-66 373.051(b)(2) more than 60 days after the date the department
104-67 provides notice under Section 373.051(b), in which event the local
104-68 toll project entity has 120 days after the date the record of
104-69 decision is issued to exercise the option. The option period under

105-1 this subsection may be extended an additional 90 days by agreement
105-2 of the department and the local toll project entity.

105-3 (b) If a local toll project entity exercises the option
105-4 under Subsection (a), the local toll project entity after
105-5 exercising the option must:

105-6 (1) within 180 days after the later of the date of
105-7 exercising its option or the date on which all environmental
105-8 approvals necessary for the development of the toll project are
105-9 secured and all legal challenges to development are concluded,
105-10 advertise for the initial procurement of required services,
105-11 including, at a minimum, design services, for the project; and

105-12 (2) within two years after the date on which all
105-13 environmental approvals necessary for the development are secured
105-14 and all legal challenges to development are concluded, enter into a
105-15 contract for the construction of the toll project.

105-16 Sec. 373.053. PUBLIC PROJECT BY DEPARTMENT. (a) If a local
105-17 toll project entity fails or declines to exercise the option to
105-18 develop, finance, construct, and operate a toll project under
105-19 Section 373.052(a), or fails or declines to advertise for
105-20 procurement or enter into a construction contract as required by
105-21 Section 373.052(b), the department has the option to develop,
105-22 finance, construct, and operate the toll project as a publicly
105-23 owned and operated project. The department has not more than 60
105-24 days after the date the local toll project entity fails or declines
105-25 to exercise its option under Section 373.052(a) or fails or
105-26 declines to advertise for procurement or enter into a construction
105-27 contract as required by Section 373.052(b) to decide whether to
105-28 exercise its option.

105-29 (b) If the department exercises its option under Subsection
105-30 (a), the department after exercising the option must:

105-31 (1) within 180 days after the later of the date of
105-32 exercising its option or the date on which all environmental
105-33 approvals necessary for the development of the toll project are
105-34 secured and all legal challenges to development are concluded,
105-35 advertise for the initial procurement of required services,
105-36 including, at a minimum, design services, for the project; and

105-37 (2) within two years after the date on which all
105-38 environmental approvals necessary for the development are secured
105-39 and all legal challenges to development are concluded, enter into a
105-40 contract for the construction of the toll project.

105-41 Sec. 373.054. PRIVATE PROJECT BY LOCAL TOLL PROJECT ENTITY.

105-42 (a) If the department fails or declines to exercise the option to
105-43 develop, finance, construct, and operate a toll project under
105-44 Section 373.053(a), or fails or declines to advertise for
105-45 procurement or enter into a construction contract as required by
105-46 Section 373.053(b), the local toll project entity has the option to
105-47 develop, finance, construct, and operate the toll project as a
105-48 privately operated or controlled toll project. Except as provided
105-49 by Section 373.057(b), the local toll project entity has not more
105-50 than 60 days after the date the department fails or declines to
105-51 exercise its option under Section 373.053(a) or fails or declines
105-52 to advertise for procurement or enter into a construction contract
105-53 as required by Section 373.053(b) to decide whether to exercise its
105-54 option.

105-55 (b) If the local toll project entity exercises its option
105-56 under Subsection (a), the local toll project entity after
105-57 exercising the option must:

105-58 (1) within 180 days after the later of the date of
105-59 exercising its option or the date on which all environmental
105-60 approvals necessary for the development of the toll project are
105-61 secured and all legal challenges to development are concluded,
105-62 advertise for the initial procurement of required services,
105-63 including, at a minimum, design services, for the project; and

105-64 (2) within two years after the date on which all
105-65 environmental approvals necessary for the development are secured
105-66 and all legal challenges to development are concluded, enter into a
105-67 contract for the construction of the toll project.

105-68 Sec. 373.055. PRIVATE PROJECT BY DEPARTMENT. (a) If a
105-69 local toll project entity fails or declines to exercise the option

106-1 to develop, finance, construct, and operate a toll project under
 106-2 Section 373.054(a), or fails or declines to advertise for
 106-3 procurement or enter into a construction contract as required by
 106-4 Section 373.054(b), the department has the option to develop,
 106-5 finance, construct, and operate the toll project as a privately
 106-6 operated or controlled toll project. The department has not more
 106-7 than 60 days after the date the local toll project entity fails or
 106-8 declines to exercise its option under Section 373.054(a) or fails
 106-9 or declines to advertise for procurement or enter into a
 106-10 construction contract as required by Section 373.054(b) to decide
 106-11 whether to exercise its option.

106-12 (b) If the department exercises its option under Subsection
 106-13 (a), the department after exercising the option must:

106-14 (1) within 180 days after the later of the date of
 106-15 exercising its option or the date on which all environmental
 106-16 approvals necessary for the development of the toll project are
 106-17 secured and all legal challenges to development are concluded,
 106-18 advertise for the initial procurement of required services,
 106-19 including, at a minimum, design services, for the project; and

106-20 (2) within two years after the date on which all
 106-21 environmental approvals necessary for the development are secured
 106-22 and all legal challenges to development are concluded, enter into a
 106-23 contract for the construction of the toll project.

106-24 Sec. 373.056. RE-INITIATION OF PROCESS. If the process
 106-25 described by Sections 373.051, 373.052, 373.053, 373.054, and
 106-26 373.055 concludes without the local toll project entity or the
 106-27 department entering into a contract for the construction of the
 106-28 toll project, either entity may re-initiate the process under this
 106-29 subchapter by submitting notice to the other entity in the manner
 106-30 provided by Section 373.051.

106-31 Sec. 373.057. WAIVER OF OPTION; ALTERATION OF TIMELINES.
 106-32 (a) The department or local toll project entity may at any time
 106-33 during the process established by this subchapter, including when
 106-34 the process is initiated under Section 373.051, decline to exercise
 106-35 an option of that entity under this subchapter.

106-36 (b) If the department declines to exercise its option under
 106-37 Section 373.053 before the 120th day after the date on which
 106-38 notification under Section 373.051(a) is provided to the local toll
 106-39 project entity or notification under Section 373.051(b) is received
 106-40 by the toll project entity, the local toll project entity must, in
 106-41 addition to deciding whether to exercise its option under Section
 106-42 373.052, decide whether to exercise its option under Section
 106-43 373.054 not later than the later of:

106-44 (1) the 180th day after the date notice is provided or
 106-45 received; or

106-46 (2) the end of the option period as extended under
 106-47 Section 373.052.

106-48 (c) The department and the applicable local toll project
 106-49 entity may, by written agreement, extend any time limit under this
 106-50 subchapter.

106-51 Sec. 373.058. SHARING OF PROJECT-RELATED INFORMATION. (a)
 106-52 If a local toll project entity or the department fails or declines
 106-53 to exercise an option or fails or declines to advertise for
 106-54 procurement or enter into a construction contract under Section
 106-55 373.052, 373.053, 373.054, or 373.055, the local toll project
 106-56 entity or the department, as applicable, must make available its
 106-57 traffic estimates, revenue estimates, plans, specifications,
 106-58 surveys, appraisals, and other work product developed for the toll
 106-59 project to the other entity.

106-60 (b) On entering into a contract for the construction of the
 106-61 toll project, the department or the local toll project entity, as
 106-62 applicable, shall reimburse the other entity for shared project
 106-63 work product that it uses.

106-64 Sec. 373.059. QUARTERLY PROGRESS REPORTS. After the
 106-65 department or a local toll project entity exercises an option under
 106-66 this subchapter, the department or local toll project entity, as
 106-67 applicable, shall issue a quarterly report on the progress of the
 106-68 development of the toll project. The report shall be made available
 106-69 to the public.

107-1 Sec. 373.060. ENVIRONMENTAL REVIEW. (a) The department or
 107-2 the local toll project entity may begin any environmental review
 107-3 process that may be required for a proposed toll project before
 107-4 initiating the process under this subchapter.

107-5 (b) If a local toll project entity initiates the process for
 107-6 development of a toll project under Section 373.051(a) and has not
 107-7 begun the environmental review of the project, the local toll
 107-8 project entity shall begin the environmental review within 180 days
 107-9 of exercising the option.

107-10 Sec. 373.061. PROJECT LOCATED IN TERRITORY OF MORE THAN ONE
 107-11 LOCAL TOLL PROJECT ENTITY. If a toll project is in the territory of
 107-12 more than one local toll project entity, only the local toll project
 107-13 entity that was first to be authorized by law to construct toll
 107-14 projects in that territory may exercise the options and other
 107-15 rights under this subchapter. A local toll project entity
 107-16 exercising an option or other right under this section:

107-17 (1) may do so only with respect to the portion of the
 107-18 project located in the territory of that local toll project entity;
 107-19 and

107-20 (2) may do so on behalf of another toll project entity
 107-21 in whose territory the project will be located.

107-22 [Sections 373.062-373.100 reserved for expansion]

107-23 SUBCHAPTER C. USE OF RIGHT-OF-WAY BY LOCAL TOLL PROJECT ENTITY

107-24 Sec. 373.101. USE OF STATE HIGHWAY RIGHT-OF-WAY. (a)
 107-25 Consistent with federal law, the commission and the department
 107-26 shall assist a local toll project entity in the development,
 107-27 financing, construction, and operation of a toll project for which
 107-28 the local toll project entity has exercised its option to develop,
 107-29 finance, construct, and operate the project under Subchapter B by
 107-30 allowing the local toll project entity to use state highway
 107-31 right-of-way and to access the state highway system as necessary to
 107-32 construct and operate the toll project.

107-33 (b) Notwithstanding any other law, the local toll project
 107-34 entity and the commission may agree to remove the toll project from
 107-35 the state highway system and transfer ownership to the local toll
 107-36 project entity.

107-37 Sec. 373.102. REIMBURSEMENT FOR USE OF STATE HIGHWAY
 107-38 RIGHT-OF-WAY. (a) The commission or the department may not require
 107-39 a local toll project entity to pay for the use of state highway
 107-40 right-of-way or access, except:

107-41 (1) to reimburse the department for actual costs
 107-42 incurred by the department that are owed to a third party, including
 107-43 the federal government, as a result of that use by the local toll
 107-44 project entity; and

107-45 (2) as required under Subsection (b).
 107-46 (b) A local toll project entity shall reimburse the
 107-47 department for the department's actual costs to acquire the
 107-48 right-of-way in the manner provided in the payment schedule agreed
 107-49 to by the department and the local toll project entity. If the
 107-50 department cannot determine that amount, the amount must be
 107-51 determined based on the average historical right-of-way
 107-52 acquisition values for comparable right-of-way located in
 107-53 proximity to the project on the date of original acquisition of the
 107-54 right-of-way.

107-55 (c) In lieu of reimbursement, the local toll project entity
 107-56 may agree to pay to the department a portion of the revenues of the
 107-57 project, in the amount and for the period of time agreed to by the
 107-58 local toll project entity and the department.

107-59 (d) Money received by the department under this section
 107-60 shall be deposited in the state highway fund and, except for
 107-61 reimbursement for costs owed to a third party, used to fund
 107-62 additional projects in the department district in which the toll
 107-63 project is located.

107-64 (e) The commission or department may waive the requirement
 107-65 of reimbursement under this section.

107-66 Sec. 373.103. AGREEMENT FOR USE OF RIGHT-OF-WAY. A local
 107-67 toll project entity shall enter into an agreement with the
 107-68 department for any project for which the entity has exercised its
 107-69 option to develop, finance, construct, and operate the project

under Subchapter B and for which the entity intends to use state highway right-of-way. The agreement must contain provisions necessary to ensure that the local toll project entity's construction, maintenance, and operation of the project complies with the requirements of applicable state and federal law.

Sec. 373.104. LIABILITY FOR DAMAGES. (a) Notwithstanding any other law, the commission and the department are not liable for any damages that result from a local toll project entity's use of state highway right-of-way or access to the state highway system under this subchapter, regardless of the legal theory, statute, or cause of action under which liability is asserted.

(b) An agreement entered into by a local toll project entity and the department in connection with a toll project that is financed, constructed, or operated by the local toll project entity and that is on or directly connected to a highway in the state highway system does not create a joint enterprise for liability purposes.

Sec. 373.105. COMPLIANCE WITH FEDERAL LAW. Notwithstanding an action taken by a local toll project entity under this subchapter, the commission or department may take any action that in its reasonable judgment is necessary to comply with any federal requirement to enable this state to receive federal-aid highway funds.

Code, is amended by adding Section 228.014 to read as follows:

Sec. 228.014. DEVELOPMENT OF THE GRAND PARKWAY. (a) For the purposes of the application of Subdivision (1), Subsection (g) of Subdivision (1), Subsection (i) of Section 228.0111 to the State Highway 99 (Grand Parkway) project, the terms of this section shall apply.

(b) Subject to Subsection (h), the State Highway 99 (Grand Parkway) project shall be developed in multiple segments, as follows:

- (1) Segment A from SH 146 to IH 45(S);
- (2) Segment B from SH 288 to IH 45(S);
- (3) Segment C from US 59(S) to SH 288(S);
- (4) Segment D from US 59(S) to IH 10(W);
- (5) Segment E from IH 10 (W) to US 290 (Northwest Freeway);
- (6) Segment F-1 from US 290 (Northwest Freeway) to SH 249 (Tomball Parkway);
- (7) Segment F-2 from SH 249 (Tomball Parkway) to IH 45 (N) (North Freeway);
- (8) Segment G from IH 45(N) (North Freeway) to US 59(N) (Eastex Freeway);
- (9) Segment H and Segment I-1 from US 59 (N) to IH 10 (E); and
- (10) Segment I-2 from near SH 146 to IH 10 (E).

(c) Segments C through G shall constitute the western portion of the project. Segments A, B, H, I-1, and I-2 shall constitute the eastern portion of the project.

(d) The local toll project entity or the department, as applicable, must enter into a contract for the construction of each of Segments D, E, F-1, and F-2 of the project within, for a segment of the project, the two-year period described by Subdivision (1) Subsection (g), Section 228.0111, or Subdivision (1), Subsection (i), Section 228.0111, and must enter into a contract for the construction of Segment G of the project within three years after the date on which all environmental requirements necessary for the development of that segment are secured and all legal challenges to development are concluded. If the local toll project entity does not enter into a contract for construction of each of those segments of the project within the two or three year period applicable to that segment, the department shall have the option to develop, finance, construct, and operate the project pursuant to Section 228.0111(i).

(e) In any event, a local toll project entity or the department, as applicable, is not required to enter into a contract for the project within the two-year period applicable to the second anniversary

except for the substitution of "40 years" for "30 years" in Subsection 228.0111 (p)(3), Transportation Code, and that law, as hereby amended, is to

109-1 been completed.

109-2 (f) For the eastern portion of the project, a local toll
109-3 project entity or the department, as applicable, is not required to
109-4 enter into a construction contract for any segment before the
109-5 second anniversary of the date on which the final segment of the
109-6 western portion is completed. After a construction contract has
109-7 been entered into for the initial segment of the eastern portion
109-8 excluding Segment I-2, for each of the remaining segments of the
109-9 eastern portion, a local toll project entity or the department, as
109-10 applicable, is not required to enter into a construction contract
109-11 for any remaining segment before the second anniversary of the date
109-12 construction of a segment in the eastern portion contiguous to the
109-13 initial segment, excluding Segment I-2, has been completed.

109-14 (g) In all events, the contracting requirements shall be
109-15 subject to the securing of all environmental requirements necessary
109-16 for the development of the project and the conclusion of all legal
109-17 challenges to development of the project, as provided in
109-18 Subdivision (1), Subsection (g), Section 228.0111, or Subdivision
109-19 (1), Subsection (i) Section 228.0111, as applicable.

109-20 (h) The department and the local toll project entity may
109-21 enter into an agreement modifying the segment descriptions and the
109-22 development sequence specified in this section.

109-23 (i) The local toll project entity or the department, as
109-24 applicable, may enter into one or more agreements, including a
109-25 comprehensive development agreement, with a public or private
109-26 entity relating to the construction, development, financing,
109-27 operation and maintenance of the State Highway 99 (Grand Parkway)
109-28 project. Notwithstanding any law to the contrary, the agreement
109-29 may contain such provisions relating to revenue sharing and
109-30 concession payments as the local toll project entity or the
109-31 department, as applicable, may determine.

109-32 SECTION 24.06 Section 228.0111, Transportation Code, is
109-33 repealed.

109-34 SECTION 24.07. (a) The repeal of Section 228.0111,
109-35 Transportation Code, by this ^{article} Act does not affect any project
109-36 described in Section 373.002(b), Transportation Code, as added by
109-37 this ^{article} Act. A project described in that subsection is governed by
109-38 Section 228.0111, Transportation Code, as it existed immediately
109-39 before the effective date of this ^{article} Act, and that law is continued in
109-40 effect for that purpose.

DEVELOPMENT AGREEMENTS

109-41 SECTION 28.01. Sections 371.103(b) and (c), Transportation
109-42 Code, as added by Chapter 264 (S.B. 792), Acts of the 80th
109-43 Legislature, Regular Session, 2007, are amended to read as follows:

109-44 (b) Except as provided by Subsection (c), a comprehensive
109-45 development agreement may contain a provision authorizing the toll
109-46 project entity to compensate the private participant in the
109-47 agreement for the loss of toll revenues attributable to the
109-48 construction by the entity of a limited access highway project
109-49 located within an area that extends up to four miles from either
109-50 side of the centerline of the project developed under the
109-51 agreement, less the private participant's decreased operating and
109-52 maintenance costs attributable to the highway project, if any.
109-53 provision under this subsection may be effective only for a period
109-54 of 30 years or less from the effective date of the agreement.

109-55 (c) A comprehensive development agreement may not require
109-56 the toll project entity to provide compensation for the
109-57 construction of:

109-58 (1) highway project contained in the state
109-59 transportation plan or a transportation plan of a metropolitan
109-60 planning organization in effect on the effective date of the
109-61 agreement;

109-62 (2) work on or improvements to a highway project
109-63 necessary for improved safety, or for maintenance or operational
109-64 purposes;

109-65 (3) a high occupancy vehicle exclusive lane addition
109-66 or other work on any highway project that is required by

1 (b) For the purposes of the application of Subdivision
2 (1), Subsection (g) or Subdivision (1), Subsection (i) of
3 Section 228.0111 to the State Highway 99 (Grand Parkway)
4 project, the terms of this section apply.

5 (c) Subject to Subsection (i) of this section, the State
6 Highway 99 (Grand Parkway) project shall be developed in
7 multiple segments, as follows:

8 (1) Segment A from SH 146 to IH 45(S);

9 (2) Segment B from SH 288 to IH 45(S);

10 (3) Segment C from US 59(S) to SH 288;

11 (4) Segment D from US 59(S) to IH 10(W);

12 (5) Segment E from IH 10 (W) to US 290 (Northwest
13 Freeway);

14 (6) Segment F-1 from US 290 (Northwest Freeway) to
15 SH 249 (Tomball Parkway);

16 (7) Segment F-2 from SH 249 (Tomball Parkway) to
17 IH 45 (N) (North Freeway);

18 (8) Segment G from IH 45(N) (North Freeway) to
19 US 59(N) (Eastex Freeway);

20 (9) Segment H and Segment I-1 from US 59 (N) to
21 IH 10 (E); and

22 (10) Segment I-2 from near SH 146 to IH 10 (E).

23 (d) Segments C through G shall constitute the western
24 portion of the project. Segments A, B, H, I-1, and I-2 shall
25 constitute the eastern portion of the project.

26 (e) The local toll project entity or the Texas Department
27 of Transportation, as applicable, must enter into a contract for
28 the construction of each of Segments D, E, F-1, and F-2 of the

1 project within, for a segment of the project, the two-year
2 period described by Subdivision (1), Subsection (g), Section
3 228.0111, or Subdivision (1), Subsection (i), Section 228.0111,
4 and must enter into a contract for the construction of Segment G
5 of the project within three years after the date on which all
6 environmental requirements necessary for the development of that
7 segment are secured and all legal challenges to development are
8 concluded. If the local toll project entity does not enter into
9 a contract for construction of each of those segments of the
10 project within the two-year or three-year period applicable to
11 that segment, the department shall have the option to develop,
12 finance, construct, and operate the project under to Section
13 228.0111(i).

14 (f) In any event, a local toll project entity or the
15 department, as applicable, is not required to enter into a
16 construction contract for Segment C before the second
17 anniversary of the date construction of the remainder of the
18 western portion is completed.

19 (g) For the eastern portion of the project, a local toll
20 project entity or the department, as applicable, is not required
21 to enter into a construction contract for any segment before the
22 second anniversary of the date on which the final segment of the
23 western portion is completed. After a construction contract has
24 been entered into for the initial segment of the eastern
25 portion, excluding Segment I-2, for each of the remaining
26 segments of the eastern portion, a local toll project entity or
27 the department, as applicable, is not required to enter into a
28 construction contract for any remaining segment before the

1 second anniversary of the date construction of a segment in the
2 eastern portion contiguous to that initial segment, excluding
3 Segment I-2, is completed.

4 (h) In all events, the contracting requirements shall be
5 subject to the securing of all environmental requirements
6 necessary for the development of the project and the conclusion
7 of all legal challenges to development of the project, as
8 provided in Subdivision (1), Subsection (g), Section 228.0111,
9 or Subdivision (1), Subsection (i), Section 228.0111, as
10 applicable.

11 (i) The department and the local toll project entity may
12 enter into an agreement modifying the segment descriptions and
13 the development sequence specified in this section.

14 (j) The local toll project entity or the Texas Department
15 of Transportation, as applicable, may enter into one or more
16 agreements, including a comprehensive development agreement,
17 with a public or private entity relating to the construction,
18 development, financing, operation and maintenance of the State
19 Highway 99 (Grand Parkway) project. Notwithstanding any law to
20 the contrary, the agreement may contain such provisions relating
21 to revenue sharing and concession payments as the local toll
22 project entity or the department, as applicable, may determine.

23 SECTION 24.08. This article takes effect immediately if
24 this Act receives a vote of two-thirds of all the members
25 elected to each house, as provided by Section 39, Article III,
26 Texas Constitution. If this Act does not receive the vote
27 necessary for immediate effect, this article takes effect
28 September 1, 2009.

109-2 been completed.

109-3 (f) For the eastern portion of the project, a local toll project entity or the department, as applicable, is not required to enter into a construction contract for any segment before the second anniversary of the date on which the final segment of the western portion is completed. After a construction contract has been entered into for the initial segment of the eastern portion excluding Segment I-2, for each of the remaining segments of the eastern portion, a local toll project entity or the department, as applicable, is not required to enter into a construction contract for any remaining segment before the second anniversary of the date construction of a segment in the eastern portion contiguous to the initial segment, excluding Segment I-2, has been completed.

109-5 (g) In all events, the contracting requirements shall be subject to the securing of all environmental requirements necessary for the development of the project and the conclusion of all legal challenges to development of the project, as provided in Subdivision (1), Subsection (g), Section 228.0111, or Subdivision (1), Subsection (i), Section 228.0111, as applicable.

109-21 (h) The department and the local toll project entity may enter into an agreement modifying the segment descriptions and the development sequence specified in this section.

109-24 (i) The local toll project entity or the department, as applicable, may enter into one or more agreements, including comprehensive development agreement, with a public or private entity relating to the construction, development, financing, operation and maintenance of the State Highway 99 (Grand Parkway) project. Notwithstanding any law to the contrary, the agreement may contain such provisions relating to revenue sharing and concession payments as the local toll project entity or the department, as applicable, may determine.

109-33 SECTION 27.07. Section 228.0111, Transportation Code, is repealed.

109-35 SECTION 27.08. The repeal of Section 228.0111, Transportation Code, by this Act does not affect any project described in Section 373.002(b), Transportation Code, as added by this Act. A project described in that subsection is governed by Section 228.0111, Transportation Code, as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

109-42 ARTICLE 25. NONCOMPETITION PROVISIONS IN COMPREHENSIVE DEVELOPMENT AGREEMENTS

109-44 SECTION 25.01. Sections 371.103(b) and (c), Transportation Code, as added by Chapter 264 (S.B. 792), Acts of the 80th Legislature, Regular Session, 2007, are amended to read as follows:

109-47 (b) Except as provided by Subsection (c), a comprehensive development agreement may contain a provision authorizing the toll project entity to compensate the private participant in the agreement for the loss of toll revenues attributable to the construction by the entity of a limited access highway project located within an area that extends up to four miles from either side of the centerline of the project developed under the agreement, less the private participant's decreased operating and maintenance costs attributable to the highway project, if any. A provision under this subsection may be effective only for a period of 30 years or less from the effective date of the agreement.

109-58 (c) A comprehensive development agreement may not require the toll project entity to provide compensation for the construction of:

- 109-61 (1) a highway project contained in the state transportation plan or a transportation plan of a metropolitan planning organization in effect on the effective date of the agreement;
- 109-65 (2) work on or improvements to a highway project necessary for improved safety, or for maintenance or operational purposes;
- 109-68 (3) a high occupancy vehicle exclusive lane addition or other work on any highway project that is required by an

110-1 environmental regulatory agency; [ex]
110-2 (4) a transportation project that provides a mode of
110-3 transportation that is not included in the project that is the
110-4 subject of the comprehensive development agreement; or

110-5 (5) a highway designated an interstate highway. *article*
110-6 SECTION 25.02. (a) The change in law made by this ~~Act~~ to
110-7 Section 371.103, Transportation Code, does not apply to:

110-8 (1) the DFW Connector project in Tarrant and Dallas
110-9 Counties (State Highway 114 from State Highway 114L Business to
110-10 east of International Parkway and State Highway 121 from north of FM
110-11 2499 to south of State Highway 360);

110-12 (2) the North Tarrant Express project in Tarrant and
110-13 Dallas Counties (IH 820 and State Highway 121/State Highway 183
110-14 from IH 35W to State Highway 161, IH 820 east from State Highway
110-15 121/State Highway 183 to Randol Mill Road, and IH 35W from IH 30 to
110-16 State Highway 170);

110-17 (3) the State Highway 99 (Grand Parkway) project;

110-18 (4) the IH 635 managed lanes project in Dallas County
110-19 (IH 635 from east of Luna Road to Greenville Avenue and IH 35E from
110-20 south of the Loop 12/IH 35E split to south of Valwood Parkway); or

110-21 (5) the Loop 9 project in Dallas County.

110-22 (b) A project described by Subsection (a) of this section is
110-23 governed by Section 371.103, Transportation Code, as that section
110-24 existed immediately before the effective date of this ~~Act~~, and that
110-25 law is continued in effect for that purpose. *article*

110-26 SECTION 29.01. Section 228.055, Transportation Code,
110-27 amended by amending Subsection (d) and adding Subsection (d-1) to
110-28 read as follows:

110-29 (d) It is an exception to the application of Subsection (a)
110-30 (c) if the registered owner of the vehicle is a lessee of the
110-31 vehicle and not later than the 30th day after the date the notice of
110-32 nonpayment is mailed provides to the department:

110-33 (1) a copy of the rental, lease, or other contract
110-34 document covering the vehicle on the date of the nonpayment under
110-35 Section 228.054, with the name and address of the lessee clearly
110-36 legible; or

110-37 (2) electronic data, in a format agreed on by the
110-38 department and the lessor, other than a photocopy or scan of
110-39 a rental or lease contract, that contains the information required
110-40 under Sections 521.460(a)(1), (2), and (3) covering the vehicle on
110-41 the date of the nonpayment under Section 228.054.

110-42 (d-1) If the lessee provides the required information
110-43 within the period prescribed under Subsection (d), the department
110-44 may send a notice of nonpayment to the lessee at the address
110-45 provided under Subsection (d) [shown in the contract document] by
110-46 first class mail before the 30th day after the date of receipt of
110-47 the required information from the lessor. The lessee of the vehicle
110-48 for which the proper toll was not paid who is mailed a written
110-49 notice of nonpayment under this subsection and fails to pay the
110-50 proper toll and administrative fee within the time specified by the
110-51 notice of nonpayment commits an offense. The lessee shall pay a
110-52 separate toll and administrative fee for each event of nonpayment.
110-53 Each failure to pay a toll or administrative fee under this
110-54 subsection is a separate offense.

110-55 SECTION 29.02. Sections 228.056(b) and (c), Transportation
110-56 Code, are amended to read as follows:

110-57 (b) In the prosecution of an offense under Section
110-58 228.055(c), (d-1), (d), or (e):

110-59 (1) it is presumed that the notice of nonpayment was
110-60 received on the fifth day after the date of mailing;

110-61 (2) a computer record of the department of the
110-62 registered owner of the vehicle is prima facie evidence of its
110-63 contents and that the defendant was the registered owner of the
110-64 vehicle when the underlying event of nonpayment under Section
110-65 228.054 occurred; and

110-66 (3) a copy of the rental, lease, or other contract
110-67 document, or the electronic data provided to the department under
110-68 Section 228.055(a) covering the vehicle on the

110-69

SECTION 25.03. This article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2009.

94-1 ~~BY STATE GOVERNMENTAL ENTITIES]. A governmental entity~~
94-2 ~~operable airport, as defined by Section 21.101, that receives money~~
94-3 ~~from the department to establish, construct, reconstruct, enlarge,~~
94-4 ~~or repair an airport, airstrip, or air navigational facility shall~~
94-5 ~~spend the money for those purposes and in conformity with~~
94-6 ~~commission rules.~~

94-7 ARTICLE 24. ~~COUNTY ROADS AND BRIDGES AND MUNICIPAL STREETS~~
94-8 SECTION 24.01. ~~Section 251.054, Transportation Code, is~~
94-9 ~~repealed.~~

94-10 SECTION 24.02. ~~Subchapter 3, Chapter 311, Transportation~~
94-11 ~~Code, is amended by adding Section 311.905 to read as follows:~~

94-12 Sec. 311.905. ~~NOTICE OF TRANSPORTATION USER'S FEE BY~~
94-13 ~~MUNICIPALITY. (a) A municipality that imposes a fee on the user of~~
94-14 ~~a benefited property equal to the proportionate annual cost of the~~
94-15 ~~transportation system owned by the municipality that can reasonably~~
94-16 ~~be attributed to the benefited property must provide notice to the~~
94-17 ~~department and the user of the fee.~~

94-18 ~~(b) The notice to the department shall be given to the~~
94-19 ~~executive director by any commercially acceptable form of business~~
94-20 ~~communication. The notice to the user required under Subsection~~
94-21 ~~(a) is adequate if the fee amount is stated on monthly billing~~
94-22 ~~statements to the user for metered utility service provided by the~~

94-24 ARTICLE 26. ~~TRANSPORTATION REINVESTMENT ZONES~~

94-25 SECTION 26.01. ~~Section 222.105, Transportation Code, is~~
94-26 ~~amended to read as follows:~~

94-27 Sec. 222.105. ~~PURPOSES. The purposes of Sections 222.106~~
94-28 ~~and 222.107 are to:~~

- 94-29 (1) ~~promote public safety;~~
- 94-30 (2) ~~facilitate the improvement, development, or~~
94-31 ~~redevelopment of property;~~
- 94-32 (3) ~~facilitate the movement of traffic; [and]~~
- 94-33 (4) ~~enhance a local entity's ability to sponsor a~~
94-34 ~~transportation project authorized under Section 222.104; and~~
- 94-35 (5) ~~enhance a municipality's ability to provide for~~
94-36 ~~freight or passenger rail facilities or systems.~~

94-37 SECTION 26.02. ~~Section 222.106, Transportation Code, is~~
94-38 ~~amended by amending Subsections (b), (c), (g), (h), (i), (j), (k),~~
94-39 ~~and (l) and adding Subsections (i-1), (i-2), (l-1), and (m) to read~~
94-40 ~~as follows:~~

94-41 (b) ~~This section applies only to a municipality in which a~~
94-42 ~~transportation project is to be developed or the governing body of~~
94-43 ~~which intends to acquire, construct, improve, or operate a freight~~
94-44 ~~or passenger rail facility or system, including commuter rail,~~
94-45 ~~intercity rail, high-speed rail, and tri-track [enter into an~~
94-46 ~~agreement with the department] under Section 222.104.~~

94-47 (c) ~~If the governing body determines an area to be~~
94-48 ~~unproductive and underdeveloped and that action under this section~~
94-49 ~~will further the purposes stated in Section 222.105, the governing~~
94-50 ~~body of the municipality by ordinance may designate a contiguous~~
94-51 ~~geographic area in the jurisdiction of the municipality to be a~~
94-52 ~~transportation reinvestment zone to promote:~~

- 94-53 (1) ~~a transportation project; or~~
- 94-54 (2) ~~the acquisition, construction, improvement, or~~
94-55 ~~operation of a freight or passenger rail facility or system by the~~
94-56 ~~municipality [described by Section 222.104 that cultivates~~
94-57 ~~development or redevelopment of the area].~~

94-58 (g) ~~The ordinance designating an area as a transportation~~
94-59 ~~reinvestment zone must:~~

- 94-60 (1) ~~describe the boundaries of the zone with~~
94-61 ~~sufficient definiteness to identify with ordinary and reasonable~~
94-62 ~~certainty the territory included in the zone;~~
- 94-63 (2) ~~provide that the zone takes effect immediately on~~
94-64 ~~passage of the ordinance;~~
- 94-65 (3) ~~assign a name to the zone for identification, with~~
94-66 ~~the first zone designated by a municipality designated as~~
94-67 ~~"Transportation Reinvestment Zone Number One, (City or Town, as~~
94-68 ~~applicable) of (name of municipality)," and subsequently~~
94-69 ~~designated zones assigned names in the same form, numbered~~

95-1 consecutively in the order of their designation;
95-2 (4) designate the base year for purposes of
95-3 establishing the tax increment base of the municipality;
95-4 (5) establish an ad valorem tax increment account for
95-5 the zone; ~~and~~
95-6 (6) ~~[(5)]~~ contain findings that promotion of the
95-7 transportation project will cultivate the improvement,
95-8 development, or redevelopment of the zone; and
95-9 (7) for a zone intended to promote the acquisition,
95-10 construction, improvement, or operation of a freight or rail
95-11 facility or system, provide for a date for termination of the zone.
95-12 (h) From taxes collected on property in a zone, the
95-13 municipality shall pay into the tax increment account for the zone
95-14 ~~[an amount equal to]~~ the tax increment produced by the
95-15 municipality, less any amount allocated under previous agreements,
95-16 including agreements under Chapter 380, Local Government Code, or
95-17 Chapter 311, Tax Code.
95-18 (i) All or the portion specified by the municipality of the
95-19 money deposited to a tax increment account must be used to fund the
95-20 transportation project for which the zone was designated or, as
95-21 applicable, the acquisition, construction, improvement, or
95-22 operation of a freight or passenger rail facility or system as well
95-23 as aesthetic improvements within the zone. Any remaining money
95-24 deposited to the tax increment account may be used for other
95-25 purposes as determined by the municipality ~~[Money deposited to a~~
95-26 ~~tax increment account must be used to fund projects authorized~~
95-27 ~~under Section 222.104, including the repayment of amounts owed~~
95-28 ~~under an agreement entered into under that section].~~
95-29 (i-1) The governing body of a municipality may contract with
95-30 a public or private entity to develop, redevelop, or improve a
95-31 transportation project in a transportation reinvestment zone and
95-32 may pledge and assign all or a specified amount of money in the tax
95-33 increment account to that entity. After a pledge or assignment is
95-34 made, if the entity that received the pledge or assignment has
95-35 itself pledged or assigned that amount to secure bonds or other
95-36 obligations issued to obtain funding for the transportation
95-37 project, the governing body of the municipality may not rescind its
95-38 pledge or assignment until the bonds or other obligations secured
95-39 by the pledge or assignment have been paid or discharged.
95-40 (i-2) To accommodate changes in the limits of the project
95-41 for which a reinvestment zone was designated, the boundaries of a
95-42 zone may be amended at any time, except that property may not be
95-43 removed or excluded from a designated zone if any part of the tax
95-44 increment account has been assigned or pledged directly by the
95-45 municipality or through another entity to secure bonds or other
95-46 obligations issued to obtain funding of the project, and property
95-47 may not be added to a designated zone unless the governing body of
95-48 the municipality complies with Subsections (e) and (g).
95-49 (j) Except as provided by Subsections (i-1), ~~[Subsection]~~
95-50 (k), and (l-1), a transportation reinvestment zone terminates on
95-51 December 31 of the year in which the municipality completes
95-52 ~~[complies with]~~ a contractual requirement, if any, that included
95-53 the pledge or assignment of all or a portion of money deposited to a
95-54 tax increment account or the repayment of money owed under an ~~[the]~~
95-55 agreement for development, redevelopment, or improvement of the
95-56 project for ~~[under Section 222.104 in connection with]~~ which the
95-57 zone was designated.
95-58 (k) A transportation reinvestment zone terminates on
95-59 December 31 of the 10th year after the year the zone was designated,
95-60 if before that date the municipality has not entered into a contract
95-61 described in Subsection (i-1) or otherwise not used the zone for the
95-62 purpose for which it was designated.
95-63 (l) Any surplus remaining in a tax increment account on
95-64 termination of a zone may be used for other purposes as determined
95-65 by ~~[transportation projects of]~~ the municipality ~~[in or outside of~~
95-66 ~~the zone].~~
95-67 (l-1) A transportation reinvestment zone designated to
95-68 promote the acquisition, construction, improvement, or operation
95-69 of a freight or passenger rail facility or system terminates on the

96-1 earlier of:
 96-2 (1) the termination date specified in the ordinance
 96-3 designating the zone or an earlier or later termination date
 96-4 specified by an ordinance adopted subsequent to the ordinance
 96-5 designating the zone; or
 96-6 (2) the date on which all costs incurred in the
 96-7 acquisition, construction, improvement, or operation of the
 96-8 freight or passenger rail facility or system, tax increment bonds
 96-9 and interest on those bonds, and other obligations have been paid in
 96-10 full.
 96-11 (m) In this section, "rail facility" has the meaning
 96-12 assigned by Section 91.001.

SECTION 25.04. Transportation Code, is amended to read as follows:
 96-15 Sec. 222.107. COUNTY TRANSPORTATION REINVESTMENT ZONES [+
 96-16 TAX ABATEMENTS, ROAD UTILITY DISTRICTS].

96-17 SECTION 25.04. Section 222.107, Transportation Code,
 96-18 amended by amending Subsections (b), (c), (e), (f), (h), (i), (j),
 96-19 and (l) and adding Subsections (h-1) and (k-1) to read as follows:

96-20 (a) This section applies only to a county in which a
 96-21 transportation project is to be developed [the commissioners court
 96-22 of which intends to enter into a pass-through toll agreement with
 96-23 the department] under Section 222.104.

96-24 (c) The commissioners court of the county, after
 96-25 determining that an area is unproductive and underdeveloped and
 96-26 that action under this section would further the purposes described
 96-27 by Section 222.105, by order or resolution may designate a
 96-28 contiguous geographic area in the jurisdiction of the county to be a
 96-29 transportation reinvestment zone to promote a transportation
 96-30 project [described by Section 222.104 that cultivates development
 96-31 or redevelopment of the area] and for the purpose of abating ad
 96-32 valorem taxes or granting other relief from taxes imposed by the
 96-33 county on real property located in the zone.

96-34 (e) Not later than the 30th day before the date the
 96-35 commissioners court proposes to designate an area as a
 96-36 transportation reinvestment zone under this section, the
 96-37 commissioners court must hold a public hearing on the creation of
 96-38 the zone, its benefits to the county and to property in the proposed
 96-39 zone, and the abatement of ad valorem taxes or the grant of other
 96-40 relief from ad valorem taxes imposed by the county on real property
 96-41 located in the zone. At the hearing an interested person may speak
 96-42 for or against the designation of the zone, its boundaries, or the
 96-43 abatement of or the relief from county taxes on real property in the
 96-44 zone. Not later than the seventh day before the date of the
 96-45 hearing, notice of the hearing and the intent to create a zone must
 96-46 be published in a newspaper having general circulation in the
 96-47 county.

96-48 (f) The order or resolution designating an area as a
 96-49 transportation reinvestment zone must:

96-50 (1) describe the boundaries of the zone with
 96-51 sufficient definiteness to identify with ordinary and reasonable
 96-52 certainty the territory included in the zone;

96-53 (2) provide that the zone take effect immediately on
 96-54 adoption of the order or resolution; [and]

96-55 (3) assign a name to the zone for identification, with
 96-56 the first zone designated by a county designated as "Transportation
 96-57 Reinvestment, the Number One, County of (name of county)," and
 96-58 subsequently designated zones assigned names in the same form
 96-59 numbered consecutively in the order of their designation; and

96-60 (4) designate the base year for purposes of
 96-61 establishing the tax increment base of the county.

96-62 (h) The commissioners court by order or resolution may enter
 96-63 into an agreement with the owner of any real property located in the
 96-64 transportation reinvestment zone to abate all or a portion of the ad
 96-65 valorem taxes or to grant other relief from the taxes imposed by the
 96-66 county on the owner's property in an amount not to exceed the amount
 96-67 calculated under Subsection (a)(1) for that year. All abatements
 96-68 or other relief granted by the commissioners court in a
 96-69 transportation reinvestment zone must be equal in rate. In the

1 ~~project described by Subsection (b).~~

2 ~~[(c) A comprehensive development agreement that contains a~~
3 ~~provision described by Subsection (b) must require the private~~
4 ~~participant to provide compensation to the toll project entity in~~
5 ~~the amount of any increase in toll revenues received by the private~~
6 ~~participant that is attributable to the construction of a highway~~
7 ~~project described by Subsection (b), less the private participant's~~
8 ~~increased operation and maintenance costs attributable to the~~
9 ~~highway project, if any.~~

10 ARTICLE 27. PROVISIONS APPLICABLE TO MORE THAN ONE TYPE OF TOLL

11 PROJECT

12 SECTION 27.01. Chapter 372, Transportation Code, is amended
13 by adding Section 372.053 to read as follows:

14 Sec. 372.053. USE OF TRANSPONDERS. (a) In this section,
15 "transponder" means a device, placed on or in a motor vehicle, that
16 is capable of transmitting information used to assess or to collect
17 tolls.

18 (b) A toll project entity shall waive any fees and penalties
19 for the failure to pay a toll while driving or towing a vehicle
20 through a toll booth or toll plaza if:

21 (1) a transponder registered to the vehicle and
22 associated with the vehicle's license plate was used when the
23 vehicle was driven or towed through the toll booth or plaza;

24 (2) the failure to collect the tolls is due solely to
25 transponder or toll equipment error, including failure to read a
26 transponder at a transponder toll plaza;

27 (3) the transponder was properly installed; and

1 (4) the transponder was not damaged by the person to
2 the extent that it could not collect the tolls.

3 (c) A toll project entity that waives fees and penalties
4 under Subsection (b) may notify the registered owner of the vehicle
5 to which the transponder is registered that the transponder must be
6 replaced, and is not required to waive subsequent fees and
7 penalties for tolls not paid after the owner has been given a
8 reasonable opportunity to replace the transponder.

9 (d) Subsection (b) does not relieve the registered owner of
10 liability for payment of the toll.

11 (e) A toll project entity shall waive any fees and penalties
12 for driving or towing a vehicle through a toll booth or toll plaza
13 while using a transponder on or in a motor vehicle to which the
14 transponder was not previously registered if:

15 (1) the tolls incurred by the person are collected
16 successfully by transponder; and

17 (2) the vehicle is of the same toll classification as
18 the vehicle to which the transponder was registered.

~~ARTICLE 34. TEXAS LOCAL PARTICIPATION TRANSPORTATION PROGRAM~~

~~20 SECTION 34.01. Chapter 403, Government Code, is amended by~~
21 ~~adding Subchapter O. read as follows:~~

~~22 SUBCHAPTER O. TEXAS LOCAL PARTICIPATION TRANSPORTATION PROGRAM~~

~~23 Sec. 403.351. DEFINITIONS. In this section:~~

~~24 (1) "Department" means the Texas Department of~~
25 ~~Transportation.~~

~~26 (2) "Fund" means the Texas local participation~~
~~transportation fund.~~

(e) An administrative penalty collected under this section shall be deposited to the Texas highway beautification [highway] fund account.

SECTION 301.063(f), Labor Code, is repealed.

ARTICLE 28. PUBLIC TRANSPORTATION

SECTION 28.01. Section 301.063(f), Labor Code, is repealed.

PART 1. GENERAL PROVISIONS

SECTION 8.1.01. Title 7, Transportation Code, is amended by adding Subtitle M to read as follows:

SUBTITLE M. TEXAS DEPARTMENT OF MOTOR VEHICLES

CHAPTER 1001. ORGANIZATION OF DEPARTMENT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1001.001. DEFINITIONS. In this subtitle:

- (1) "Board" means the board of the department.
- (2) "Department" means the Texas Department of Motor

Vehicles.

Sec. 1001.002. CREATION OF DEPARTMENT; DUTIES. (a) The department is created as an agency of this state.

(b) In addition to the other duties required of the Texas Department of Motor Vehicles, the department shall administer and enforce:

- (1) Subtitle A;
- (2) Chapters 642, 643, 645, 646, and 648; and
- (3) Chapters 2301 and 2302, Occupations Code.

Sec. 1001.003. COMPOSITION OF DEPARTMENT. The department is composed of an executive director appointed by the board and other employees required to efficiently implement:

- (1) this subtitle;
- (2) other applicable vehicle laws of this state; and
- (3) other laws that grant jurisdiction to or are

applicable to the department.

Sec. 1001.004. DIVISIONS. The board shall organize the department into divisions to accomplish the department's functions and the duties assigned to it, including divisions for:

- (1) administration;
- (2) motor carriers;
- (3) motor vehicle distribution; and
- (4) vehicle titles and registration.

Sec. 1001.005. SUNSET PROVISION. The department is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the department is abolished September 1, 2015.

Sec. 1001.006. DEFENSE BY ATTORNEY GENERAL. The attorney general shall defend an action brought against the board or the department or an action brought against an employee of the department as a result of the employee's official act or omission, regardless of whether at the time of the institution of the action that person has terminated service with the department.

[Sections 1001.007-1001.020 reserved for expansion]

SUBCHAPTER B. BOARD OF DEPARTMENT OF MOTOR VEHICLES

Sec. 1001.021. BOARD. (a) The board consists of nine members appointed by the governor with the advice and consent of the senate.

(b) Three members must be persons who hold a dealer's license issued under Chapter 2301, Occupations Code, of whom two must be franchised dealers of different classes and one must be an independent dealer; one member must be a representative of a manufacturer or distributor that holds a license issued under Chapter 2301, Occupations Code; one member must be a tax assessor-collector; one member must be a representative of a law enforcement agency of a county or municipality; and one member must be a representative of the motor carrier industry. The remaining members must be public members.

(c) Except as necessary to comply with Subsection (b), no person is not eligible for appointment as a member of the board.

~~Committee~~ adding the following ARTICLE to the bill and ~~the~~ subsequent ARTICLES at ~~the~~

ARTICLE 29. CHOOSE LIFE LICENSE PLATES; CHOOSE LIFE ACCOUNT; CHOOSE LIFE ADVISORY COMMITTEE

SECTION 29.01. Subchapter G, Chapter 504, Transportation Code, is amended by adding Section 504.659 to read as follows:

Sec. 504.659. CHOOSE LIFE LICENSE PLATES. (a) The department shall issue specially designed license plates that include the words "Choose Life." The department shall design the license plates in consultation with the attorney general.

(b) After deduction of the department's administrative costs, the department shall deposit the remainder of the fee for issuance of license plates under this section in the state treasury to the credit of the Choose Life account established by Section 402.035, Government Code.

SECTION 29.02. Subchapter B, Chapter 402, Government Code, is amended by adding Sections 402.035 and 402.036 to read as follows:

Sec. 402.035. CHOOSE LIFE ACCOUNT. (a) The Choose Life account is a separate account in the general revenue fund. The account is composed of:

(1) money deposited to the credit of the account under Section 504.659, Transportation Code; and

(2) gifts, grants, donations, and legislative appropriations.

(b) The attorney general administers the Choose Life account. The attorney general may spend money credited to the account only to:

(1) make grants to an eligible organization; and

(2) defray the cost of administering the account.

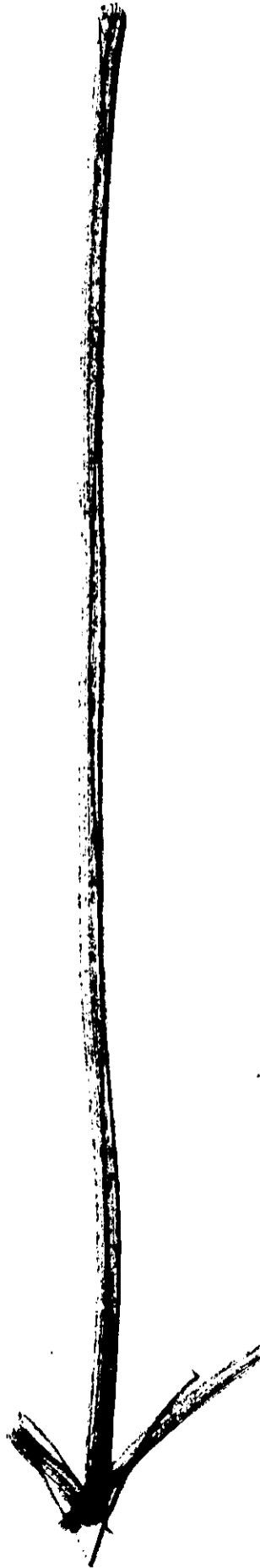
(c) The attorney general may not discriminate against an eligible organization because it is a religious or nonreligious organization.

(d) The attorney general may accept gifts, donations, and grants from any source for the benefit of the account.

(e) The attorney general by rule shall establish:

(1) guidelines for the expenditure of money credited to the Choose Life account; and

(2) reporting and other mechanisms necessary to ensure that the money is spent in accordance with this section.



(f) Money received by an eligible organization under this section may be spent only to provide for the material needs of pregnant women who are considering placing their children for adoption, including the provision of clothing, housing, prenatal care, food, utilities, and transportation, to provide for the needs of infants who are awaiting placement with adoptive parents, to provide training and advertising relating to adoption, and to provide pregnancy testing or preadoption or postadoption counseling, but may not be used to pay an administrative, legal, or capital expense.

(g) In this section, "eligible organization" means an organization in this state that:

(1) qualifies as a charitable organization under Section 501(c)(3), Internal Revenue Code of 1986;

(2) provides counseling and material assistance to pregnant women who are considering placing their children for adoption;

(3) does not charge for services provided;

(4) does not provide abortions or abortion-related services or make referrals to abortion providers;

(5) is not affiliated with an organization that provides abortions or abortion-related services or makes referrals to abortion providers; and

(6) does not contract with an organization that provides abortions or abortion-related services or makes referrals to abortion providers.

Sec. 402.036. CHOOSE LIFE ADVISORY COMMITTEE. (a) The attorney general shall appoint a seven-member Choose Life advisory committee.

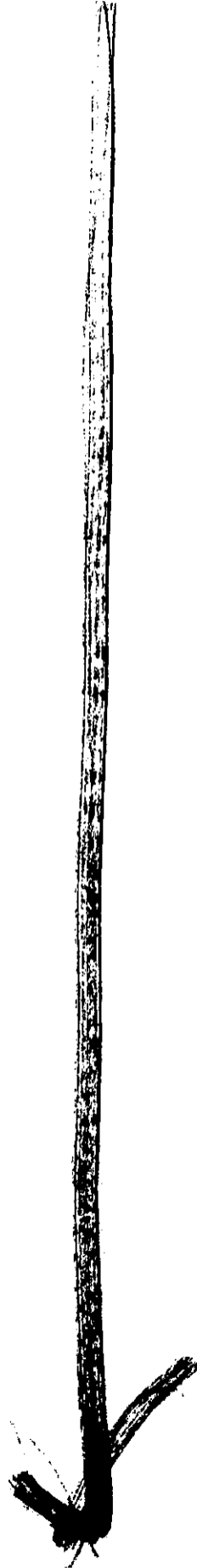
(b) The committee shall:

(1) meet at least twice a year or as called by the attorney general;

(2) assist the attorney general in developing rules under Section 402.035(e); and

(3) review and make recommendations to the attorney general on applications submitted to the attorney general for grants funded with money credited to the Choose Life account.

(c) Members of the committee serve without compensation and are not entitled to reimbursement for expenses. Each member serves a term of four years, with the terms of three or four members expiring on January 31 of each odd-numbered year.



1 (c) A person may be issued three sets of license plates
2 under this section.

3 SECTION 36.30. Subchapter E, Chapter 504, Transportation
4 Code, is amended by adding Section 504.414 to read as follows:

5 Sec. 504.414. PROFESSIONAL FIREFIGHTER PLATES. (a) The
6 professional firefighter plate may be issued to qualified
7 firefighters. The sponsor of the plate may nominate a state agency
8 for receipt of funds under Section 504.801(e)(2)(A).

9 (b) After deduction of the department's administrative
10 costs in accordance with Section 504.801, the remainder of the fees
11 from the sale of professional firefighter plates shall be deposited
12 to the credit of an account in the state treasury to be used by the
13 nominated state agency for the purpose of making grants to support
14 the activities of an organization of professional firefighters
15 located in this state that provides emergency relief and college
16 scholarship funds to the professional firefighters and their
17 dependents.

18 SECTION 36.31. Subchapter G, Chapter 504, Transportation
19 Code, is amended by adding Section 504.6151 to read as follows:

20 Sec. 504.6151. NOTRE DAME ALUMNI ASSOCIATION LICENSE
21 PLATES. The department shall issue specialty license plates that
22 include the words "Notre Dame Alumni Association." The department
23 shall design the license plates in consultation with the Notre Dame
24 Alumni Association.

25 ARTICLE 30. TRAFFIC-CONTROL SIGNALIZATION STUDY

26 SECTION 30.01. Chapter 544, Transportation Code, is amended
27 by adding Section 544.014 to read as follows:

1 Sec. 544.014. STUDY. (a) The department shall conduct a
2 study regarding improvement of traffic-control signalization.

3 (b) In conducting the study, the department shall consider:

4 (1) methods to promote more efficient traffic flow,
5 including a reduction in vehicle idling time, by:

6 (A) synchronizing or eliminating traffic-control
7 signals;

8 (B) adopting smart light technologies, including
9 cameras; and

10 (C) adopting alternatives to red light signals;

11 (2) the funding sources available to municipalities
12 wishing to implement new traffic control programs; and

13 (3) the economic and environmental effects of idling
14 vehicles.

15 (c) The department may not spend more than \$200,000 on the
16 study conducted under this section.

17 (d) Not later than December 1, 2010, the department shall
18 report the results of the study conducted under this section to the
19 governor, the lieutenant governor, the speaker of the house of
20 representatives, and the appropriate oversight committees of each
21 house of the legislature.

22 (e) This section expires September 1, 2011.

23 ~~ARTICLE 38. USE OF SAFETY BELTS BY VEHICLE OPERATORS~~

24 ~~SECTION 38.01. Sections 545.412(e) and (f), Transportation~~
25 ~~Code, are amended to read as follows:~~

26 ~~(e) This section does not apply to a person:~~

27 ~~(1) operating a vehicle transporting passengers for~~

1 applies to an offense under Section 545.413(a) of that code
2 regardless of whether the offense was committed before, on, or
3 after the effective date of this Act.

4 ARTICLE 31. MOTOR VEHICLE SAFETY RESPONSIBILITY

5 SECTION 31.01. Section 601.053, Transportation Code, is
6 amended by amending Subsection (b) and adding Subsection (c) to
7 read as follows:

8 (b) Except as provided by Subsection (c), an [An] operator
9 who does not exhibit evidence of financial responsibility under
10 Subsection (a) is presumed to have operated the vehicle in
11 violation of Section 601.051.

12 (c) Subsection (b) does not apply if the peace officer
13 determines through use of the verification program established
14 under Subchapter N that financial responsibility has been
15 established for the vehicle.

16 ARTICLE 32. MOTOR CARRIER OVERSIZE AND OVERWEIGHT PERMITS

17 SECTION 32.01. Subchapter D, Chapter 623, Transportation
18 Code, is amended by adding Section 623.0711 to read as follows:

19 Sec. 623.0711. PERMITS AUTHORIZED BY COMMISSION ORDER. (a)
20 The commission by order may authorize the department to issue a
21 permit to a motor carrier, as defined by Section 643.001, to
22 transport multiple loads of the same commodity over a state highway
23 if all of the loads are traveling from and to the same general
24 locations.

25 (b) The commission may not authorize the issuance of a
26 permit that would violate federal regulations on size and weight
27 requirements or authorize the issuance of a permit for equipment

1 that could reasonably be dismantled for transportation as separate
2 loads.

3 (c) To be eligible for a permit under this section, the
4 department must determine that the state will benefit from the
5 issuance of this type of expedited permitting process.

6 (d) Before the commission may adopt an order under this
7 section, the department must complete a route and engineering study
8 that considers:

9 (1) the estimated number of loads to be transported by
10 the motor carrier under the permit;

11 (2) the size and weight of the commodity;

12 (3) available routes that can accommodate the size and
13 weight of the vehicle and load to be transported;

14 (4) the potential roadway damage caused by repeated
15 use of the road by the permitted vehicle;

16 (5) any disruption caused by the movement of the
17 permitted vehicle; and

18 (6) safety to the traveling public.

19 (e) The commission may impose on the motor carrier any
20 condition regarding routing, time of travel, axle weight, and
21 escort vehicles necessary to ensure safe operation and minimal
22 damage to the roadway.

23 (f) A permit issued under this section may provide multiple
24 routes to reach the destination to minimize damage to the roadways.

25 (g) The commission shall require the motor carrier to file a
26 bond in an amount set by the commission, payable to the department
27 and conditioned on the motor carrier paying to the department any

1 damage that is sustained to a state highway because of the operation
2 of a vehicle under a permit issued under this section.

3 (h) The fee for a permit under this section may not exceed
4 \$7,000.

5 (i) The executive director or the executive director's
6 designee may suspend a permit issued under this section or alter a
7 designated route because of:

8 (1) a change in pavement conditions;

9 (2) a change in traffic conditions;

10 (3) a geometric change in roadway configuration;

11 (4) construction or maintenance activity; or

12 (5) emergency or incident management.

13 (j) Permits issued under this section are subject to the
14 administrative sanctions of Subchapter N.

15 SECTION 32.02. Section 623.071, Transportation Code, is
16 amended by adding Subsection (h) to read as follows:

17 (h) On completion of a route and engineering study, a single
18 trip permit that exceeds the length established by Subsection (c)
19 may be issued by the department and used in conjunction with an
20 annual permit issued under Subsection (c) if the department
21 determines that the additional length can be transported safely.

22 ~~ARTICLE 41. COUNTY TRAFFIC OFFICER~~
23 SECTION 41.01. Section 701.006, Transportation Code, is

24 amended to read as follows:

25 Sec. 701.006. ⁹ ~~COMPLAINT HEARING,~~ ⁹ DISMISSAL. ~~[(a) If~~
26 ~~a county traffic officer fails to perform the officer's duty to~~
27 ~~enforce the law, the district engineer of the Texas Department of~~

121-1
121-2 bridge, tunnel, or highway, and any improvement, extension,
121-3 expansion to the bridge, tunnel, or highway.

121-4 (g) A county that acquires right-of-way or obtains
121-5 approvals, studies, or data under Subsection (f) may petition the
121-6 applicable authority to negotiate a written agreement by which the
121-7 county's and the authority's activities can be better coordinated
121-8 and more efficiently accomplished. The agreement may include
121-9 provisions by which the authority may agree to later reimburse the
121-10 county for certain costs the county incurs for right-of-way and
121-11 other deliverables transferred to and used by the authority if the
121-12 authority ultimately develops the toll project. The department or
121-13 the applicable metropolitan planning organization, or both, may be
121-14 a party or parties to an agreement under this subsection if the
121-15 county and the authority determine that the inclusion of one or both
121-16 of those entities furthers the objectives of this subsection.

121-17 ARTICLE 39. AUTOMATED TRAFFIC CONTROL SYSTEMS

121-18 SECTION 39.01. Section 542.2035, Transportation Code, is
121-19 amended to read as follows:

121-20 Sec. 542.2035. LIMITATION ON MUNICIPALITIES AND COUNTIES.

121-21 (a) A municipality or county may not implement or operate an
121-22 automated traffic control system with respect to a highway or
121-23 street under its jurisdiction for the purpose of enforcing
121-24 compliance with posted speed limits. The attorney general shall
121-25 enforce this subsection.

121-26 (b) In this section, "automated traffic control system"
121-27 means a photographic device, radar device, laser device, or other
121-28 electrical or mechanical device designed to:

- 121-29 (1) record the speed of a motor vehicle; and
- 121-30 (2) obtain one or more photographs or other recorded

- 121-31 images of:
- 121-32 (A) the vehicle;
- 121-33 (B) the license plate attached to the vehicle; or
- 121-34 (C) the operator of the vehicle.

121-35 SECTION 39.02. Subchapter B, Chapter 542, Transportation
121-36 Code, is amended by adding Section 542.207 to read as follows:

121-37 Sec. 542.207. LIMITATION ON DEPARTMENT. (a) In this
121-38 section, "automated traffic control system" has the meaning
121-39 assigned by Section 542.2035.

121-40 (b) The department may not implement or operate an automated
121-41 traffic control system for the purpose of enforcing compliance with
121-42 posted speed limits. The attorney general shall enforce this
121-43 subsection.

121-44 ARTICLE 33. CERTIFICATES OF TITLE; VEHICLE REGISTRATION

121-45 SECTION 40.001. Section 501.002, Transportation Code, is
121-46 amended to read as follows:

121-47 Sec. 501.002. DEFINITIONS. In this chapter:

121-48 (1) "Certificate of title" means a printed record of
121-49 title [an instrument] issued under Section 501.021.

121-50 (1-a) "Commercial fleet" means a group of at least 25
121-51 nonapportioned commercial motor vehicles owned by a corporation,
121-52 limited or general partnership, limited liability company, or other
121-53 business entity and used for the business purposes of that entity.

121-54 (2) "Credit card" means a card, plate, or similar
121-55 device used to make a purchase or to borrow money.

121-56 (3) "Dealer" has the meaning assigned by Section
121-57 503.001 [means a person who purchases motor vehicles for sale at
121-58 retail].

121-59 (4) "Debit card" means a card that enables the holder
121-60 to withdraw money or to have the cost of a purchase charged directly
121-61 to the holder's bank account.

121-62 (5) [(3)] "Department" means the Texas Department of
121-63 Transportation.

121-64 (6) [(4)] "Distributor" has the meaning assigned by
121-65 Chapter 2301, Occupations Code [means a person engaged in the
121-66 business of selling to a dealer motor vehicles purchased from a
121-67 manufacturer].

121-68 (7) [(5)] "First sale" means:

- 121-69 (A) the bargain, sale, transfer, or delivery of a

- 122-1 motor vehicle that has not been previously registered or titled
 122-2 [~~licensed~~], with intent to pass an interest in the motor vehicle,
 122-3 other than a lien, regardless of where the bargain, sale, transfer,
 122-4 or delivery occurred; and
 122-5 (B) the registration or titling [~~licensing~~] of
 122-6 that vehicle.
- 122-7 [~~(6) "House trailer" means a trailer designed for~~
 122-8 ~~human habitation. The term does not include manufactured housing.~~
 122-9 [~~(7) "Importer" means a person, other than a~~
 122-10 ~~manufacturer, that brings a used motor vehicle into this state for~~
 122-11 ~~sale in this state.~~]
 122-12 (8) [~~"Importer's certificate" means a certificate for~~
 122-13 ~~a used motor vehicle brought into this state for sale in this state.~~
 122-14 [~~(9) "Lien" means:~~
 122-15 (A) a lien provided for by the constitution or
 122-16 statute in a motor vehicle;
 122-17 (B) a security interest, as defined by Section
 122-18 1.201, Business & Commerce Code, in a motor vehicle, other than an
 122-19 absolute title, created by any written security agreement, as
 122-20 defined by Section 9.102, Business & Commerce Code, including a
 122-21 lease, conditional sales contract, deed of trust, chattel mortgage,
 122-22 trust receipt, or reservation of title; or
 122-23 (C) a child support lien under Chapter 157,
 122-24 Family Code.
- 122-25 (9) [~~(10)~~] "Manufactured housing" has the meaning
 122-26 assigned by Chapter 1201, Occupations Code.
 122-27 (10) [~~(11)~~] "Manufacturer" has the meaning assigned
 122-28 by Section 503.001 [~~means a person regularly engaged in the~~
 122-29 ~~business of manufacturing or assembling new motor vehicles~~].
 122-30 (11) [~~(12)~~] "Manufacturer's permanent vehicle
 122-31 identification number" means the number affixed by the manufacturer
 122-32 to a motor vehicle in a manner and place easily accessible for
 122-33 physical examination and die-stamped or otherwise permanently
 122-34 affixed on one or more removable parts of the vehicle.
 122-35 [~~(13)~~] "Motorcycle" has the meaning assigned by
 122-36 Section 541.201 [~~means a motor vehicle, other than a tractor,~~
 122-37 ~~designed to propel itself with not more than three wheels in contact~~
 122-38 ~~with the ground~~].
 122-39 (12) [~~(14)~~] "Motor vehicle" means:
 122-40 (A) any motor driven or propelled vehicle
 122-41 required to be registered under the laws of this state;
 122-42 (B) a trailer or semitrailer, other than
 122-43 manufactured housing, that has a gross vehicle weight that exceeds
 122-44 4,000 pounds;
 122-45 (C) a travel [~~house~~] trailer;
 122-46 (D) an all-terrain vehicle, as defined by Section
 122-47 502.001, designed by the manufacturer for off-highway use that is
 122-48 not required to be registered under the laws of this state; or
 122-49 (E) a motorcycle, motor-driven cycle, or moped
 122-50 that is not required to be registered under the laws of this state
 122-51 [~~, other than a motorcycle, motor-driven cycle, or moped designed~~
 122-52 ~~for and used exclusively on a golf course~~].
 122-53 (13) [~~(15)~~] "New motor vehicle" has the meaning
 122-54 assigned by Chapter 2301, Occupations Code [~~means a motor vehicle~~
 122-55 ~~that has not been the subject of a first sale~~].
 122-56 (14) [~~(16)~~] "Owner" includes a person, other than a
 122-57 manufacturer, importer, distributor, or dealer, claiming title to
 122-58 or having a right to operate under a lien a motor vehicle that has
 122-59 been subject to a first sale.
 122-60 (15) "Purchaser" means a person or entity, other than
 122-61 a manufacturer, importer, distributor, or dealer, to which a motor
 122-62 vehicle is donated, given, sold, or otherwise transferred.
 122-63 (16) "Record of title" means an electronic record of
 122-64 motor vehicle ownership in the department's motor vehicle database
 122-65 that is created under Subchapter I.
 122-66 (17) "Seller" means a person or entity that donates,
 122-67 gives, sells, or otherwise transfers ownership of a motor vehicle.
 122-68 (18) [~~(17)~~] "Semitrailer" means a vehicle that is
 122-69 designed or used with a motor vehicle so that part of the weight of

123-1 the vehicle and its load rests on or is carried by another vehicle.
 123-2 [~~(18)~~ "Serial number" means a vehicle identification
 123-3 number that is affixed to a part of a motor vehicle and that is
 123-4 [~~(A)~~ the manufacturer's permanent vehicle
 123-5 identification number,
 123-6 [~~(B)~~ a derivative number of the manufacturer's
 123-7 permanent vehicle identification number,
 123-8 [~~(C)~~ the motor number, or
 123-9 [~~(D)~~ the vehicle identification number assigned
 123-10 by the department.]

123-11 (19) "Steal" has the meaning assigned by Section
 123-12 31.01, Penal Code.

123-13 (20) "Subsequent sale" means:
 123-14 (A) the bargain, sale, transfer, or delivery of a
 123-15 used motor vehicle [~~that has been previously registered or licensed~~
 123-16 ~~in this state or elsewhere~~], with intent to pass an interest in the
 123-17 vehicle, other than a lien [~~, regardless of where the bargain, sale,~~
 123-18 ~~transfer, or delivery occurs~~]; and

123-19 (B) the registration of the vehicle if
 123-20 registration is required under the laws of this state.

123-21 (21) "Title receipt" means a document [~~an instrument~~]
 123-22 issued under Section 501.024.

123-23 (22) "Trailer" means a vehicle that:
 123-24 (A) is designed or used to carry a load wholly on
 123-25 the trailer's own structure; and
 123-26 (B) is drawn or designed to be drawn by a motor
 123-27 vehicle.

123-28 (23) "Travel trailer" means a house trailer-type
 123-29 vehicle or a camper trailer:

123-30 (A) that is a recreational vehicle defined under
 123-31 24 C.F.R. Section 3282.8(g); or

123-32 (B) that:
 123-33 (i) is less than 8 feet in width and 40 feet
 123-34 in length, exclusive of any hitch installed on the vehicle;

123-35 (ii) is designed primarily for use as
 123-36 temporary living quarters in connection with recreational,
 123-37 camping, travel, or seasonal use;

123-38 (iii) is not used as a permanent dwelling;
 123-39 and

123-40 (iv) is not a utility trailer, enclosed
 123-41 trailer, or other trailer that does not have human habitation as its
 123-42 primary function.

123-43 (24) [~~(23)~~] "Used motor vehicle" means a motor vehicle
 123-44 that has been the subject of a first sale.

123-45 (25) "Vehicle identification number" means:
 123-46 (A) the manufacturer's permanent vehicle
 123-47 identification number affixed by the manufacturer to the motor
 123-48 vehicle that is easily accessible for physical examination and
 123-49 permanently affixed on one or more removable parts of the vehicle;
 123-50 or

123-51 (B) a serial number affixed to a part of a motor
 123-52 vehicle that is:
 123-53 (i) a derivative number of the
 123-54 manufacturer's permanent vehicle identification number;

123-55 (ii) the motor number; or
 123-56 (iii) a vehicle identification number
 123-57 assigned by the department.

123-58 SECTION 33.002. The heading to Section 501.003,
 123-59 Transportation Code, is amended to read as follows:

123-60 Sec. 501.003. PURPOSE [CONSTRUCTION].

123-61 SECTION 33.003. Section 501.004(a), Transportation Code,
 123-62 is amended to read as follows:

123-63 (a) Except as provided by this section, this [This] chapter
 123-64 applies to all motor vehicles, including a motor vehicle owned by
 123-65 the state or a political subdivision of the state.

123-66 SECTION 33.004. Section 501.131, Transportation Code, is
 123-67 transferred to Subchapter A, Chapter 501, Transportation Code,
 123-68 renumbered as Section 501.0041, Transportation Code, and amended to
 123-69 read as follows:

124-1 Sec. 501.0041 [~~501.131~~]. RULES; FORMS. (a) The department
124-2 may adopt rules to administer this chapter.

124-3 (b) The department shall post on the Internet or [~~+~~
124-4 [~~(1)~~ in addition to the forms required by this
124-5 chapter, prescribe forms for a title receipt, manufacturer's
124-6 certificate, and importer's certificate, and other forms the
124-7 department determines necessary; and

124-8 [~~(2)~~] provide each county assessor-collector with a
124-9 sufficient supply of any necessary [~~the~~] forms.

124-10 SECTION 33.005. Section 501.159, Transportation Code, is
124-11 transferred to Subchapter A, Chapter 501, Transportation Code,
124-12 renumbered as Section 501.006, Transportation Code, and amended to
124-13 read as follows:

124-14 Sec. 501.006 [~~501.159~~]. ALIAS [~~CERTIFICATE OF~~] TITLE. On
124-15 receipt of a verified [~~written~~] request approved by the executive
124-16 administrator of a law enforcement agency, the department may issue
124-17 a [~~certificate of~~] title in the form requested by the executive
124-18 administrator for a vehicle in an alias for the law enforcement
124-19 agency's use in a covert criminal investigation.

124-20 SECTION 33.006. Section 501.021, Transportation Code, is
124-21 amended to read as follows:

124-22 Sec. 501.021. [~~CERTIFICATE OF~~] TITLE FOR MOTOR VEHICLE.

124-23 (a) A motor vehicle [~~certificate of~~] title [~~is an instrument~~]
124-24 issued by the department must include [~~that includes~~]:

124-25 (1) the name and address of each [~~the~~] purchaser and
124-26 seller at the first sale or [~~the transferee and transferor at~~] a
124-27 subsequent sale;

124-28 (2) the [~~make of the motor~~] vehicle description;

124-29 (3) the [~~body type of the vehicle,~~

124-30 [~~(4)~~ the ~~manufacturer's permanent vehicle~~
124-31 ~~identification number of the vehicle or the vehicle's motor number~~
124-32 ~~if the vehicle was manufactured before the date that stamping a~~
124-33 ~~permanent identification number on a motor vehicle was universally~~
124-34 ~~adopted,~~

124-35 [~~(5)~~ the serial number for the vehicle,

124-36 [~~(6)~~ the number on the vehicle's current Texas license
124-37 plates, if any,

124-38 [~~(7)~~ a statement:

124-39 [~~(A)~~ that no lien on the vehicle is recorded, or

124-40 [~~(B)~~ of the] name and address of each lienholder
124-41 and the date of each lien on the vehicle, listed in the
124-42 chronological order in which the lien was recorded;

124-43 (4) [~~(8)~~ a space for the signature of the owner of the
124-44 vehicle,

124-45 [~~(9)~~] a statement indicating rights of survivorship
124-46 under Section 501.031;

124-47 (5) [~~(10)~~] if the vehicle has an odometer, the
124-48 odometer reading [~~indicated by the application for the certificate~~
124-49 ~~of title~~]; and

124-50 (6) [~~(11)~~] any other information required by the
124-51 department.

124-52 (b) A printed certificate of title must bear the following
124-53 statement on its face:

124-54 "UNLESS OTHERWISE AUTHORIZED BY LAW, IT IS A VIOLATION OF STATE LAW
124-55 TO SIGN THE NAME OF ANOTHER PERSON ON A CERTIFICATE OF TITLE OR
124-56 OTHERWISE GIVE FALSE INFORMATION ON A CERTIFICATE OF TITLE."

124-57 SECTION 33.007. Section 501.022, Transportation Code, is
124-58 amended to read as follows:

124-59 Sec. 501.022. MOTOR VEHICLE [~~CERTIFICATE OF~~] TITLE
124-60 REQUIRED. (a) The owner of a motor vehicle registered in this
124-61 state may not operate or permit the operation of the vehicle on a
124-62 public highway until the owner obtains a [~~certificate of~~] title for
124-63 the vehicle or until the owner obtains registration for the vehicle
124-64 if a receipt evidencing title to the vehicle is issued under Section
124-65 501.029(b) or Subchapter I.

124-66 (b) A person may not operate a motor vehicle registered in
124-67 this state on a public highway if the person knows or has reason to
124-68 believe that the owner has not obtained a [~~certificate of~~] title for
124-69 the vehicle.

125-1 (c) The owner of a motor vehicle that is required to be
 125-2 registered in this state must apply for a ~~[certificate of]~~ title to
 125-3 ~~[of]~~ the vehicle before selling or disposing of the vehicle.

125-4 (d) Subsection (c) does not apply to a motor vehicle
 125-5 operated on a public highway in this state with a metal dealer's
 125-6 license plate or a dealer's or buyer's temporary ~~[cardboard]~~ tag
 125-7 attached to the vehicle as provided by Chapter 503.

125-8 SECTION 33.008. Section 501.023, Transportation Code, is
 125-9 amended to read as follows:

125-10 Sec. 501.023. APPLICATION FOR ~~[CERTIFICATE OF]~~ TITLE. (a)
 125-11 The owner of a motor vehicle must apply for a ~~[certificate of]~~ title
 125-12 as prescribed by the department [+
 125-13 ~~[(1)]~~ to the county assessor-collector in the county
 125-14 in which:

125-15 (1) ~~[(A)]~~ the owner is domiciled; or

125-16 (2) ~~[(B)]~~ the motor vehicle is purchased or encumbered

125-17 ~~[, and~~

125-18 ~~[(2) on a form prescribed by the department].~~

125-19 (b) The assessor-collector shall send the application to
 125-20 the department or enter it into the department's titling system
 125-21 within 72 [not later than 24] hours after receipt of [receiving] the
 125-22 application.

125-23 (c) The owner or a lessee of a commercial motor vehicle
 125-24 operating under the International Registration Plan or other
 125-25 agreement described by Section 502.091 ~~[502.054]~~ that is applying
 125-26 for a ~~[certificate of]~~ title for purposes of registration only may
 125-27 apply [must be made] directly to the department. Notwithstanding
 125-28 Section 501.138(a), an applicant for registration under this
 125-29 subsection shall pay ~~[the department]~~ the fee imposed by that
 125-30 section. The ~~[department shall send the]~~ fee shall be distributed
 125-31 to the appropriate county assessor-collector ~~[for distribution]~~ in
 125-32 the manner provided by Section 501.138.

125-33 (d) Applications submitted to the department electronically
 125-34 must request the purchaser's choice of county as stated in
 125-35 Subsection (a) as the recipient of all taxes, fees, and other
 125-36 revenue collected as a result of the transaction.

125-37 SECTION 33.009. (a) Effective September 1, 2009, Section
 125-38 501.0234(b), Transportation Code, is amended to read as follows:

125-39 (b) This section does not apply to a motor vehicle:

125-40 (1) that has been declared a total loss by an insurance
 125-41 company in the settlement or adjustment of a claim;

125-42 (2) for which the certificate of title has been
 125-43 surrendered in exchange for:

125-44 (A) a salvage vehicle title issued under this
 125-45 chapter;

125-46 (B) a nonrepairable vehicle title issued under
 125-47 this chapter;

125-48 (C) a certificate of authority issued under
 125-49 Subchapter D, Chapter 683; or

125-50 (D) an ownership document issued by another state
 125-51 that is comparable to a document described by Paragraphs (A)-(C);
 125-52 ~~[or]~~

125-53 (3) with a gross weight in excess of 11,000 pounds; or

125-54 (4) purchased by a fleet buyer who is a full-service
 125-55 deputy under Section 520.008 and utilizes the dealer title
 125-56 application process developed to provide a method of submitting
 125-57 title transactions to the county in which the fleet buyer is a
 125-58 full-service deputy.

125-59 (b) Effective January 1, 2013, Sections 501.0234(a), (b),
 125-60 (d), and (e), Transportation Code, are amended to read as follows:

125-61 (a) A person who sells at the first or a subsequent sale a
 125-62 motor vehicle and who holds a general distinguishing number issued
 125-63 under Chapter 503 of this code or Chapter 2301, Occupations Code,
 125-64 shall:

125-65 (1) except as provided by this section, in the time and
 125-66 manner provided by law, apply, in the name of the purchaser of the
 125-67 vehicle, for the registration of the vehicle, if the vehicle is to
 125-68 be registered, and a ~~[certificate of]~~ title for the vehicle and file
 125-69 with the appropriate designated agent each document necessary to

126-1 transfer title to or register the vehicle; and at the same time
 126-2 (2) remit any required motor vehicle sales tax.
 126-3 (b) This section does not apply to a motor vehicle:
 126-4 (1) that has been declared a total loss by an insurance
 126-5 company in the settlement or adjustment of a claim;
 126-6 (2) for which the ~~[certificate of]~~ title has been
 126-7 surrendered in exchange for:
 126-8 (A) a salvage vehicle title or salvage record of
 126-9 title issued under this chapter;
 126-10 (B) a nonrepairable vehicle title or
 126-11 nonrepairable record of title issued under this chapter or
 126-12 Subchapter D, Chapter 683;
 126-13 ~~[(C) a certificate of authority issued under~~
 126-14 ~~Subchapter D, Chapter 683,] or~~
 126-15 (C) ~~[(D)]~~ an ownership document issued by
 126-16 another state that is comparable to a document described by
 126-17 Paragraph (A) or (B) ~~[Paragraphs (A)-(C)]; [or]~~
 126-18 (3) with a gross weight in excess of 11,000 pounds; or
 126-19 (4) purchased by a fleet buyer who utilizes the dealer
 126-20 title application process developed to provide a method to submit
 126-21 title transactions to counties that have approved the persons as
 126-22 full-service deputies under Section 502.114.
 126-23 (d) A seller who applies for the registration or a
 126-24 ~~[certificate of]~~ title for a motor vehicle under Subsection (a)(1)
 126-25 shall apply in the county as directed by the purchaser from the
 126-26 counties set forth in Section 501.023 ~~[of this code]~~.
 126-27 (e) The department shall develop ~~[promulgate]~~ a form or
 126-28 electronic process in ~~[on]~~ which the purchaser of a motor vehicle
 126-29 shall designate the purchaser's choice as set out in Section
 126-30 501.023 as the recipient of all taxes, fees, and other revenue
 126-31 collected as a result of the transaction, which the tax
 126-32 assessor-collector is authorized by law to retain. A seller shall
 126-33 make that form or electronic process available to the purchaser of a
 126-34 vehicle at the time of purchase.
 126-35 SECTION 33.010. Section 501.0235, Transportation Code, is
 126-36 amended to read as follows:
 126-37 Sec. 501.0235. DRIVER'S LICENSE OR PERSONAL IDENTIFICATION
 126-38 CERTIFICATE ~~[SOCIAL SECURITY]~~ NUMBER OF TITLE APPLICANT
 126-39 ~~[AUTOMATED REGISTRATION AND TITLE SYSTEM]~~. (a) The department
 126-40 shall require an applicant for a ~~[certificate of]~~ title to provide
 126-41 the applicant's driver's license or personal identification
 126-42 certificate ~~[social security]~~ number to the department.
 126-43 (b) The ~~[department or the county shall enter the~~
 126-44 ~~applicant's social security]~~ number shall be entered in the
 126-45 department's electronic titling system ~~[database]~~ but may not be
 126-46 printed ~~[print that number]~~ on the ~~[certificate of]~~ title.
 126-47 ~~[(c) This section applies only in a county in which the~~
 126-48 ~~department's automated registration and title system has been~~
 126-49 ~~implemented.]~~
 126-50 SECTION 33.011. Section 501.024, Transportation Code, is
 126-51 amended to read as follows:
 126-52 Sec. 501.024. TITLE RECEIPT. (a) A county
 126-53 assessor-collector who receives an application for a ~~[certificate~~
 126-54 ~~of]~~ title shall issue a title receipt to the applicant containing
 126-55 the information concerning the motor vehicle required for issuance
 126-56 of a title under Section 501.021 or Subchapter I ~~[7]~~ after:
 126-57 (1) the requirements of this chapter are met,
 126-58 including the payment of the fees required under Section 501.138;
 126-59 and
 126-60 (2) the ~~[, issue a title receipt on which is noted]~~
 126-61 information is entered into the department's titling system
 126-62 [concerning the motor vehicle required for the certificate of title
 126-63 under Section 501.021, including a statement of the existence of
 126-64 each lien as disclosed on the application or a statement that no
 126-65 lien is disclosed].
 126-66 (b) If a lien is not disclosed on the application for a
 126-67 ~~[certificate of]~~ title, the assessor-collector shall issue a ~~[mark~~
 126-68 ~~the]~~ title receipt ~~["original" and deliver it]~~ to the applicant.
 126-69 (c) If a lien is disclosed on the application for a

127-1 ~~[certificate of]~~ title, the assessor-collector shall issue a
 127-2 duplicate title receipt to the lienholder ~~[receipts. The~~
 127-3 ~~assessor-collector shall.~~

127-4 ~~[(1) mark one receipt "original" and mail or deliver~~
 127-5 ~~it to the first lienholder disclosed on the application, and~~

127-6 ~~[(2) mark the second receipt "duplicate original" and~~
 127-7 ~~mail or deliver it to the address of the applicant provided on the~~
 127-8 ~~application].~~

127-9 (d) A title receipt authorizes the operation of the motor
 127-10 vehicle on a public highway in this state for 10 days or until the
 127-11 ~~[certificate of]~~ title is issued, whichever period is shorter.

127-12 SECTION 30.012. Section 501.025, Transportation Code, is
 127-13 amended to read as follows:

127-14 Sec. 501.025. ~~[TITLE RECEIPT REQUIRED ON FIRST SALE,]~~
 127-15 MANUFACTURER'S CERTIFICATE REQUIRED ON FIRST SALE. A county
 127-16 assessor-collector may not issue a title receipt on the first sale
 127-17 of a motor vehicle unless the applicant for the ~~[certificate of]~~
 127-18 title provides ~~[to the assessor-collector]~~ the application for a
 127-19 ~~[certificate of]~~ title and a manufacturer's certificate in ~~[, or]~~ a
 127-20 manner ~~[form]~~ prescribed by the department ~~[, that,~~

127-21 ~~[(1) is assigned to the applicant by the manufacturer,~~
 127-22 ~~distributor, or dealer shown on the manufacturer's certificate as~~
 127-23 ~~the last transferee, and~~

127-24 ~~[(2) shows the transfer of the vehicle from its~~
 127-25 ~~manufacturer to the purchaser, whether a distributor, dealer, or~~
 127-26 ~~owner, and each subsequent transfer from distributor to dealer,~~
 127-27 ~~dealer to dealer, and dealer to applicant].~~

127-28 SECTION 33.013. Section 501.027, Transportation Code, is
 127-29 amended to read as follows:

127-30 Sec. 501.027. ISSUANCE OF ~~[CERTIFICATE OF]~~ TITLE. (a) On
 127-31 the day that a county assessor-collector issues a title receipt, a
 127-32 copy of the title receipt and all evidence of title ~~[the~~
 127-33 ~~assessor-collector]~~ shall be submitted ~~[mail]~~ to the department in
 127-34 the period specified in Section 501.023(b) [+
 127-35

127-35 ~~[(1) a copy of the receipt, and~~

127-36 ~~[(2) the evidence of title delivered to the~~
 127-37 ~~assessor-collector by the applicant].~~

127-38 (b) Not later than the fifth day after the date the
 127-39 department receives an application for a ~~[certificate of]~~ title and
 127-40 the department determines the requirements of this chapter are met:

127-41 (1) ~~[the department shall issue the certificate~~
 127-42 ~~of] title shall be issued to the first lienholder or to the~~
 127-43 ~~applicant if [if] a lien is not disclosed on the application; or~~

127-44 (2) ~~[the department shall notify [send the~~
 127-45 ~~certificate by first class mail to] the applicant that the~~
 127-46 ~~department's titling system has established a record of title of~~
 127-47 ~~the motor vehicle in the applicant's name if a lien is not disclosed~~
 127-48 ~~[at the address provided on the application]. If a lien is~~

127-49 ~~disclosed on the application, the department shall notify [send]~~
 127-50 ~~the [certificate by first class mail to the first] lienholder that~~
 127-51 ~~the lien has been perfected [as disclosed on the application].~~

127-52 SECTION 33.014. Section 501.0275, Transportation Code, is
 127-53 amended to read as follows:

127-54 Sec. 501.0275. ISSUANCE OF TITLE FOR UNREGISTERED VEHICLE.

127-55 (a) The department shall issue a ~~[certificate of]~~ title for a motor
 127-56 vehicle that complies with the other requirements ~~[for issuance of~~
 127-57 ~~a certificate of title] under this chapter except that:~~

127-58 (1) the vehicle is not registered for a reason other
 127-59 than a reason provided by Section 501.051(a)(6) ~~[501.051(6)]~~; and

127-60 (2) the applicant does not provide evidence of
 127-61 financial responsibility that complies with Section 502.046
 127-62 ~~[502.153].~~

127-63 (b) On application for a ~~[certificate of]~~ title under this
 127-64 section, the applicant must surrender any license plates issued for
 127-65 the motor vehicle if the plates are not being transferred to another
 127-66 vehicle and any registration insignia for validation of those
 127-67 plates to the department.

127-68 SECTION 33.015. Section 501.0276, Transportation Code, is
 127-69 amended to read as follows:

128-1 Sec. 501.0276. DENIAL OF TITLE RECEIPT, ~~[OR CERTIFICATE OF]~~
 128-2 TITLE, OR RECORD OF TITLE FOR FAILURE TO PROVIDE PROOF OF EMISSIONS
 128-3 TESTING. A county assessor-collector may not issue a title receipt
 128-4 and the department may not issue a certificate of title for a
 128-5 vehicle subject to Section 548.3011 unless proof that the vehicle
 128-6 has passed a vehicle emissions test as required by that section, in
 128-7 a manner ~~[form]~~ authorized by that section, is presented to the
 128-8 county assessor-collector with the application for a certificate
 128-9 ~~of~~ title.

128-10 SECTION 33.016. Section 501.029, Transportation Code, is
 128-11 amended to read as follows:

128-12 Sec. 501.029. ACCEPTABLE PROOF OF OWNERSHIP ~~[USE OF~~
 128-13 ~~REGISTRATION RECEIPT OR TITLE RECEIPT TO EVIDENCE TITLE]~~. (a) A
 128-14 person may use the department's record of title, a registration
 128-15 receipt issued under Chapter 502, or a title receipt to evidence
 128-16 ownership of ~~[title to]~~ a motor vehicle but ~~[and]~~ not to transfer an
 128-17 interest in or establish a lien on the vehicle.

128-18 (b) The department by rule may provide for the issuance of a
 128-19 receipt that evidences title to a motor vehicle for registration
 128-20 purposes only. The fee for application for the receipt is the fee
 128-21 applicable to application for a ~~certificate of~~ title.

128-22 SECTION 33.017. Sections 501.030(b), (d), (e), (f), and
 128-23 (g), Transportation Code, are amended to read as follows:

128-24 (b) Before a motor vehicle that was not manufactured for
 128-25 sale or distribution in the United States may be titled in this
 128-26 state, the applicant must:

128-27 (1) provide to the assessor-collector:
 128-28 (A) a bond release letter, with all attachments,
 128-29 issued by the United States Department of Transportation
 128-30 acknowledging:

128-31 (i) receipt of a statement of compliance
 128-32 submitted by the importer of the vehicle; and

128-33 (ii) that the statement meets the safety
 128-34 requirements of 19 C.F.R. Section 12.80(e);

128-35 (B) a bond release letter, with all attachments,
 128-36 issued by the United States Environmental Protection Agency stating
 128-37 that the vehicle has been tested and shown to conform to federal
 128-38 emission requirements; and

128-39 (C) a receipt or certificate issued by the United
 128-40 States Department of the Treasury showing that all gas guzzler
 128-41 taxes due on the vehicle under 26 U.S.C. Section 4064(a) have been
 128-42 paid; or

128-43 (2) provide to the assessor-collector proof,
 128-44 satisfactory to the department, ~~[assessor-collector]~~ that the
 128-45 vehicle was not brought into the United States from outside ~~[of]~~ the
 128-46 country.

128-47 (d) If a motor vehicle has not been titled or registered in
 128-48 the United States, the application for ~~certificate of~~ title must
 128-49 be accompanied by:

128-50 (1) a manufacturer's certificate of origin written in
 128-51 English issued by the vehicle manufacturer;

128-52 (2) the original documents that constitute valid proof
 128-53 of ownership in the country where the vehicle was originally
 128-54 purchased, with an English translation of the documents verified as
 128-55 to the accuracy of the translation by an affidavit of the
 128-56 translator; or

128-57 (3) if the vehicle was imported from a country that
 128-58 cancels the vehicle registration and title for export, the
 128-59 documents assigned to the vehicle after the registration and title
 128-60 were canceled, with an English translation of the documents
 128-61 verified as to the accuracy of the translation by an affidavit of
 128-62 the translator.

128-63 (e) Before a motor vehicle that is required to be registered
 128-64 in this state and that is brought into this state by a person other
 128-65 than a manufacturer or importer may be bargained, sold,
 128-66 transferred, or delivered with an intent to pass an interest in the
 128-67 vehicle or encumbered by a lien, the owner must apply for a
 128-68 ~~certificate of~~ title in ~~[on]~~ a manner ~~[form]~~ prescribed by the
 128-69 department to the county assessor-collector for the county in which

129-1 the transaction is to take place. The assessor-collector may not
 129-2 issue a title receipt unless the applicant delivers to the
 129-3 assessor-collector satisfactory evidence ~~[of title]~~ showing that
 129-4 the applicant is the owner of the vehicle and that the vehicle is
 129-5 free of any undisclosed liens.

129-6 (f) A county assessor-collector may not be held liable for
 129-7 civil damages arising out of the assessor-collector's failure to
 129-8 reflect on the title receipt a lien or encumbrance on a motor
 129-9 vehicle to which Subsection (e) applies unless the
 129-10 ~~[assessor-collector's]~~ failure constitutes wilful or wanton
 129-11 negligence.

129-12 (g) Until an applicant has complied with this section:

129-13 (1) a county assessor-collector may not accept an
 129-14 application for ~~[certificate of]~~ title; and

129-15 (2) the applicant is not entitled to an appeal as
 129-16 provided by Sections 501.052 and 501.053.

129-17 SECTION 33.018. Section 501.031, Transportation Code, is
 129-18 amended to read as follows:

129-19 Sec. 501.031. RIGHTS OF SURVIVORSHIP AGREEMENT. (a) The
 129-20 department shall include on each ~~[certificate of]~~ title an optional
 129-21 [a] rights of survivorship agreement that [form. The form must]:

129-22 (1) provides [provide] that if the agreement is
 129-23 between [signed by] two or more eligible persons, the motor vehicle
 129-24 is held jointly by those persons with the interest of a person who
 129-25 dies to transfer [survive] to the surviving person or persons; and

129-26 (2) provides [provide blanks] for the acknowledgment
 129-27 by signature, either electronically or by hand, [signatures] of the
 129-28 persons.

129-29 (b) If the vehicle is registered in the name of one or more
 129-30 of the persons who acknowledged [signed] the agreement, the
 129-31 [certificate of] title may contain a:

129-32 (1) rights of survivorship agreement acknowledged
 129-33 [signed] by all the persons; or

129-34 (2) remark if a rights of survivorship agreement is
 129-35 [surrendered with the application for certificate of title or
 129-36 otherwise] on file with the department.

129-37 (c) Ownership [Except as provided in Subsection (g),
 129-38 ownership] of the vehicle may be transferred only:

129-39 (1) by all the persons acting jointly, if all the
 129-40 persons are alive; and

129-41 (2) on the death of one of the persons by the surviving
 129-42 person or persons by transferring ownership of the vehicle [the
 129-43 certificate of title], in the manner otherwise required by law [for
 129-44 transfer of ownership of the vehicle], with a copy of the death
 129-45 certificate of the deceased person [attached to the certificate of
 129-46 title application].

129-47 (d) A rights of survivorship agreement under this section
 129-48 may be revoked only if [by surrender of the certificate of title to
 129-49 the department and joint application by] the persons named in [who
 129-50 signed] the agreement file a joint application for a new title in
 129-51 the name of the person or persons designated in the application.

129-52 (e) A person is eligible to file [sign] a rights of
 129-53 survivorship agreement under this section if the person:

129-54 (1) is married and the spouse of the [signing] person
 129-55 is the only other party to the agreement;

129-56 (2) is unmarried and attests to that unmarried status
 129-57 by affidavit; or

129-58 (3) is married and provides the department with an
 129-59 affidavit from the [signing] person's spouse that attests that the
 129-60 [signing] person's interest in the vehicle is the [signing]
 129-61 person's separate property.

129-62 (f) The department may develop an optional electronic [If
 129-63 the title is being issued in connection with the sale of the
 129-64 vehicle, the seller is not eligible to sign a] rights of
 129-65 survivorship agreement for public use [under this section unless
 129-66 the seller is the child, grandchild, parent, grandparent, brother,
 129-67 or sister of each other person signing the agreement. A family
 129-68 relationship required by this subsection may be a relationship
 129-69 established by adoption.

130-1 ~~[(g) If an agreement, other than the agreement provided for~~
 130-2 ~~in Subsection (a), providing for right of survivorship is signed by~~
 130-3 ~~two or more persons, the department shall issue a new certificate of~~
 130-4 ~~title to the surviving person or persons upon application~~
 130-5 ~~accompanied by a copy of the death certificate of the deceased~~
 130-6 ~~person. The department may develop for public use under this~~
 130-7 ~~subsection an optional rights of survivorship agreement form].~~

130-8 SECTION 33.019. Section 501.032, Transportation Code, is
 130-9 amended to read as follows:

130-10 Sec. 501.032. ASSIGNMENT OF VEHICLE IDENTIFICATION
 130-11 ~~[SERIAL]~~ NUMBER BY DEPARTMENT. (a) On proper application, the
 130-12 department shall assign a vehicle identification ~~[a serial]~~ number
 130-13 to a travel ~~[house]~~ trailer, a trailer or semitrailer that has a
 130-14 gross vehicle weight that exceeds 4,000 pounds, or an item of
 130-15 equipment, including a tractor, farm implement, unit of special
 130-16 mobile equipment, or unit of off-road construction equipment on
 130-17 which:

130-18 (1) a vehicle identification ~~[a serial]~~ number was not
 130-19 die-stamped by the manufacturer; or

130-20 (2) a vehicle identification ~~[the serial]~~ number
 130-21 die-stamped by the manufacturer has been lost, removed, or
 130-22 obliterated.

130-23 (b) The applicant shall die-stamp the assigned vehicle
 130-24 identification ~~[serial]~~ number at the place designated by the
 130-25 department on the travel ~~[house]~~ trailer, trailer, semitrailer, or
 130-26 equipment.

130-27 (c) The manufacturer's vehicle identification ~~[serial]~~
 130-28 number or the vehicle identification ~~[serial]~~ number assigned by
 130-29 the department shall be affixed on the carriage or axle part of the
 130-30 travel ~~[house]~~ trailer, trailer, or semitrailer. The department
 130-31 shall use the number as the major identification of the vehicle in
 130-32 the issuance of a ~~[certificate of]~~ title.

130-33 SECTION 33.020. Sections 501.033(a), (b), and (d),
 130-34 Transportation Code, are amended to read as follows:

130-35 (a) A person determined by ~~[the department or]~~ a court to be
 130-36 the owner of a motor vehicle, a part of a motor vehicle, or an item
 130-37 of equipment including a tractor, farm implement, unit of special
 130-38 mobile equipment, or unit of off-road construction equipment ~~[that~~
 130-39 ~~has had the serial number removed, altered, or obliterated]~~ may
 130-40 apply to the department for an assigned vehicle identification
 130-41 number that has been removed, altered, or obliterated.

130-42 (b) An application under this section must be in ~~[on]~~ a
 130-43 manner ~~[form]~~ prescribed ~~[and furnished]~~ by the department and
 130-44 accompanied by ~~[the certificate of title for the vehicle or other]~~
 130-45 valid evidence of ownership as required by the department ~~[if there~~
 130-46 ~~is no certificate of title].~~

130-47 (d) The assigned vehicle identification number shall be
 130-48 die-stamped or otherwise affixed ~~[to the motor vehicle, part, or~~
 130-49 ~~item of equipment at the location and]~~ in the manner designated by
 130-50 the department.

130-51 SECTION 33.021. Section 520.011, Transportation Code, is
 130-52 transferred to Subchapter B, Chapter 501, Transportation Code,
 130-53 renumbered as Section 501.0331, Transportation Code, and amended to
 130-54 read as follows:

130-55 Sec. 501.0331 ~~[520.011]~~. MOTOR NUMBER REQUIRED FOR
 130-56 ~~[VEHICLE] REGISTRATION~~ ~~[, PENALTY]~~. ~~[(a)]~~ A person may not apply
 130-57 to the county assessor-collector for the registration of a motor
 130-58 vehicle from which the original motor number has been removed,
 130-59 erased, or destroyed until the motor vehicle bears the motor number
 130-60 assigned by the department.

130-61 ~~[(b) A person commits an offense if the person violates this~~
 130-62 ~~section. An offense under this subsection is a misdemeanor~~
 130-63 ~~punishable by a fine of not less than \$50 and not more than \$100.]~~

130-64 SECTION 33.022. Section 520.012, Transportation Code, is
 130-65 transferred to Subchapter B, Chapter 501, Transportation Code,
 130-66 renumbered as Section 501.0332, Transportation Code, and amended to
 130-67 read as follows:

130-68 Sec. 501.0332 ~~[520.012]~~. APPLICATION FOR MOTOR NUMBER
 130-69 RECORD ~~[, RECORD, PENALTY]~~. (a) To obtain a motor number assigned

131-1 by the department, the owner of a motor vehicle that has had the
 131-2 original motor number removed, erased, or destroyed must file a
 131-3 sworn application with the department.

131-4 (b) The department shall maintain a record of [~~separate~~
 131-5 ~~register for recording~~] each motor number assigned by the
 131-6 department that includes [~~For each motor number assigned by the~~
 131-7 ~~department, the record must indicate~~]:

131-8 (1) the motor number assigned by the department;

131-9 (2) the name and address of the owner of the motor
 131-10 vehicle; and

131-11 (3) the make, model, and year of manufacture of the
 131-12 motor vehicle.

131-13 [~~(c) A person who fails to comply with this section commits~~
 131-14 ~~an offense. An offense under this subsection is a misdemeanor~~
 131-15 ~~punishable by a fine of not less than \$10 and not more than \$100.~~]

131-16 SECTION 33.023. Section 501.034, Transportation Code, is
 131-17 amended to read as follows:

131-18 Sec. 501.034. ISSUANCE OF TITLE TO GOVERNMENT AGENCY. The
 131-19 department may issue a [~~certificate of~~] title to a government
 131-20 agency if a vehicle or part of a vehicle is:

131-21 (1) forfeited to the government agency;

131-22 (2) delivered by court order under the Code of
 131-23 Criminal Procedure to a government agency for official purposes; or

131-24 (3) sold as abandoned or unclaimed property under the
 131-25 Code of Criminal Procedure.

131-26 SECTION 33.024. Section 501.035, Transportation Code, is
 131-27 amended to read as follows:

131-28 Sec. 501.035. [~~CERTIFICATE OF~~] TITLE FOR FORMER MILITARY
 131-29 VEHICLE. (a) Notwithstanding any other law, the department may
 131-30 [~~shall~~] issue a [~~certificate of~~] title for a former military
 131-31 vehicle [~~that is not registered under the laws of this state~~] if all
 131-32 [~~other~~] requirements for issuance of a [~~certificate of~~] title are
 131-33 met.

131-34 (b) In this section, "former military vehicle" has the
 131-35 meaning assigned by Section 504.502 [~~502.275(e)~~].

131-36 SECTION 33.025. Section 501.036, Transportation Code, is
 131-37 amended to read as follows:

131-38 Sec. 501.036. [~~CERTIFICATE OF~~] TITLE FOR FARM SEMITRAILER.

131-39 (a) Notwithstanding any other provision of this chapter, the
 131-40 department may issue a [~~certificate of~~] title for a farm
 131-41 semitrailer with a gross weight of more than 4,000 pounds if:

131-42 (1) the farm semitrailer is eligible for registration
 131-43 under Section 502.146 [~~504.504~~]; and

131-44 (2) all other requirements for issuance of a
 131-45 [~~certificate of~~] title are met.

131-46 (b) To obtain a [~~certificate of~~] title under this section,
 131-47 the owner of the farm semitrailer must:

131-48 (1) apply for the [~~certificate of~~] title in the manner
 131-49 required by Section 501.023; and

131-50 (2) pay the fee required by Section 501.138.

131-51 (c) The department shall adopt rules [~~and forms~~] to
 131-52 implement and administer this section.

131-53 SECTION 33.026. Section 501.051, Transportation Code, is
 131-54 amended to read as follows:

131-55 Sec. 501.051. GROUNDS FOR REFUSAL TO ISSUE OR FOR
 131-56 REVOCATION OR SUSPENSION OF TITLE [~~CERTIFICATE~~]. (a) A title may
 131-57 be refused, canceled, suspended, or revoked by the [~~The~~] department
 131-58 [~~shall refuse to issue a certificate of title or shall suspend or~~
 131-59 ~~revoke a certificate of title~~] if:

131-60 (1) the application [~~for the certificate~~] contains a
 131-61 false or fraudulent statement;

131-62 (2) the applicant failed to furnish required
 131-63 information requested by the department;

131-64 (3) the applicant is not entitled to a [~~certificate~~
 131-65 ~~of~~] title;

131-66 (4) the department has reason to believe that the
 131-67 motor vehicle is stolen;

131-68 (5) the department has reason to believe that the
 131-69 issuance of a [~~certificate of~~] title would defraud the owner or a

132-1 lienholder of the motor vehicle;
 132-2 (6) the registration for the motor vehicle is
 132-3 suspended or revoked; or
 132-4 (7) the required fee has not been paid.
 132-5 (b) The department may rescind, cancel, or revoke an
 132-6 application for a title if a notarized affidavit is presented to the
 132-7 department containing:
 132-8 (1) a statement that the vehicle involved was a new
 132-9 motor vehicle in the process of a first sale;
 132-10 (2) a statement that the dealer, the applicant, and
 132-11 any lienholder have canceled the sale;
 132-12 (3) a statement that the vehicle:
 132-13 (A) was never in the possession of the title
 132-14 applicant; or
 132-15 (B) was in the possession of the title applicant;
 132-16 and
 132-17 (4) the signatures of the dealer, the applicant, and
 132-18 any lienholder.
 132-19 (c) A rescission, cancellation, or revocation containing
 132-20 the statement authorized under Subsection (b)(3)(B) does not negate
 132-21 the fact that the vehicle has been the subject of a previous retail
 132-22 sale.

132-23 SECTION 33.027. The heading to Section 501.052,
 132-24 Transportation Code, is amended to read as follows:

132-25 Sec. 501.052. HEARING ON REFUSAL TO ISSUE OR REVOCATION OR
 132-26 SUSPENSION OF [~~CERTIFICATE OF~~] TITLE; APPEAL.

132-27 SECTION 33.028. Sections 501.052(a), (d), and (e),
 132-28 Transportation Code, are amended to read as follows:

132-29 (a) An interested person aggrieved by a refusal,
 132-30 rescission, cancellation, suspension, or revocation under Section
 132-31 501.051 may apply for a hearing to the county assessor-collector
 132-32 for the county in which the person is a resident [~~domiciled~~]. On
 132-33 the day an assessor-collector receives the application, the
 132-34 assessor-collector shall notify the department of the date of the
 132-35 hearing.

132-36 (d) A determination of the assessor-collector is binding on
 132-37 the applicant and the department as to whether the department
 132-38 correctly refused to issue or correctly rescinded, canceled,
 132-39 revoked, or suspended the [~~certificate of~~] title.

132-40 (e) An applicant aggrieved by the determination under
 132-41 Subsection (d) may appeal to the county court of the county of the
 132-42 applicant's residence. An applicant must file an appeal not later
 132-43 than the fifth day after the date of the assessor-collector's
 132-44 determination. The county court judge shall try the appeal in the
 132-45 manner of other civil cases. All rights and immunities granted in
 132-46 the trial of a civil case are available to the interested parties.
 132-47 If the department's action is not sustained, the department shall
 132-48 promptly issue a [~~certificate of~~] title for the vehicle.

132-49 SECTION 33.029. Section 501.053, Transportation Code, is
 132-50 amended by amending Subsections (a), (b), and (d) and adding
 132-51 Subsection (e) to read as follows:

132-52 (a) As an alternative to the procedure provided by Section
 132-53 501.052, the person may file a bond with the department. On the
 132-54 filing of the bond the person [~~department~~] may obtain a [~~issue the~~
 132-55 ~~certificate of~~] title.

132-56 (b) The bond must be:
 132-57 (1) in the manner [~~form~~] prescribed by the department;
 132-58 (2) executed by the applicant;
 132-59 (3) issued by a person authorized to conduct a surety
 132-60 business in this state;

132-61 (4) in an amount equal to one and one-half times the
 132-62 value of the vehicle as determined by the department, which may set
 132-63 the value by appraisal if it is unable to determine that value; and

132-64 (5) conditioned to indemnify all prior owners and
 132-65 lienholders and all subsequent purchasers of the vehicle or persons
 132-66 who acquire a security interest in the vehicle, and their
 132-67 successors in interest, against any expense, loss, or damage,
 132-68 including reasonable attorney's fees, occurring because of the
 132-69 issuance of the [~~certificate of~~] title for the vehicle or for a

133-1 defect in or undisclosed security interest on the right, title, or
133-2 interest of the applicant to the vehicle.

133-3 (d) A bond under this section expires on the third
133-4 anniversary of the date the bond became effective. [~~The department~~
133-5 ~~shall return an expired bond to the person who filed the bond unless~~
133-6 ~~the department has been notified of a pending action to recover on~~
133-7 ~~the bond.~~]

133-8 (e) The department by rule may establish a fee to cover the
133-9 cost of administering this section.

133-10 SECTION 33.030. Section 501.071, Transportation Code, is
133-11 amended to read as follows:

133-12 Sec. 501.071. SALE OF VEHICLE; TRANSFER OF TITLE. (a)
133-13 Except as provided in Section 503.039, a motor vehicle may not be
133-14 the subject of a subsequent sale unless the owner designated on [~~in~~]
133-15 the [~~certificate of~~] title submits a transfer of ownership of
133-16 [~~transfers~~] the [~~certificate of~~] title [~~at the time of the sale~~].

133-17 (b) The transfer of the [~~certificate of~~] title must be in
133-18 [~~on~~] a manner [~~form~~] prescribed by the department that [~~includes a~~
133-19 ~~statement that~~]:

133-20 (1) certifies the purchaser [~~signer~~] is the owner of
133-21 the vehicle; and

133-22 (2) certifies there are no liens on the vehicle or
133-23 provides a release of each lien [~~except as shown~~] on the vehicle
133-24 [~~certificate of title or as fully described in the statement~~].

133-25 SECTION 33.031. Section 501.072, Transportation Code, is
133-26 amended to read as follows:

133-27 Sec. 501.072. ODOMETER DISCLOSURE STATEMENT. (a) Except
133-28 as provided by Subsection (b) [~~(c)~~], the seller of a motor vehicle
133-29 sold in this state shall provide to the buyer, in [~~on~~] a manner
133-30 [~~form~~] prescribed by the department, a [~~written~~] disclosure of the
133-31 vehicle's odometer reading at the time of the sale that complies
133-32 with federal law. [~~The form must include space for the signature~~
133-33 ~~and printed name of both the seller and buyer.~~]

133-34 (b) [~~When application for a certificate of title is made,~~
133-35 ~~the owner shall record the current odometer reading on the~~
133-36 ~~application. The written disclosure required by Subsection (a)~~
133-37 ~~must accompany the application.~~

133-38 [~~(c)~~] An odometer disclosure statement is not required for
133-39 the sale of a motor vehicle that:

133-40 (1) has a gross vehicle weight rating [~~manufacturer's~~
133-41 ~~rated carrying capacity~~] of more than 18,000 pounds [~~two tons~~];

133-42 (2) is not self-propelled;

133-43 (3) is 10 or more years old;

133-44 (4) is sold directly by the manufacturer to an agency
133-45 of the United States government in conformity with contractual
133-46 specifications; or

133-47 (5) is a new motor vehicle.

133-48 SECTION 33.032. Section 520.022, Transportation Code, is
133-49 transferred to Subchapter D, Chapter 501, Transportation Code,
133-50 renumbered as Section 501.0721, Transportation Code, and amended to
133-51 read as follows:

133-52 Sec. 501.0721 [~~520.022~~]. DELIVERY OF RECEIPT AND TITLE TO
133-53 PURCHASER [~~TRANSFeree, PENALTY~~]. [~~(a)~~] A person, whether acting
133-54 for that person or another, who sells, trades, or otherwise
133-55 transfers a used motor vehicle shall deliver to the purchaser
133-56 [~~transferee~~] at the time of delivery of the vehicle [~~(~~

133-57 [~~(1)~~] ~~the license receipt issued by the department for~~
133-58 ~~registration of the vehicle, if the vehicle was required to be~~
133-59 ~~registered at the time of the delivery, and~~

133-60 [~~(2)~~] a properly assigned [~~certificate of~~] title or
133-61 other evidence of title as required under this chapter [~~Chapter~~
133-62 ~~501~~].

133-63 [~~(b)~~] ~~A person commits an offense if the person violates this~~
133-64 ~~section. An offense under this subsection is a misdemeanor~~
133-65 ~~punishable by a fine not to exceed \$200.~~]

133-66 SECTION 33.033. Sections 501.074(a), (b), and (c),
133-67 Transportation Code, are amended to read as follows:

133-68 (a) The department shall issue a new [~~certificate of~~] title
133-69 for a motor vehicle registered in this state for which the ownership

134-1 is transferred by operation of law [~~including by inheritance,~~
 134-2 ~~devise or bequest, bankruptcy, receivership, judicial sale,~~ or
 134-3 other involuntary divestiture of ownership after receiving:
 134-4 (1) a certified copy of an [~~the~~] order appointing a
 134-5 temporary administrator or of the probate proceedings;
 134-6 (2) letters testamentary or letters of
 134-7 administration;
 134-8 (3) if administration of an estate is not necessary,
 134-9 an affidavit showing that administration is not necessary,
 134-10 identifying all heirs, and including a statement by the heirs of the
 134-11 name in which the certificate shall be issued;
 134-12 (4) a court order; or
 134-13 (5) the bill of sale from an officer making a judicial
 134-14 sale.

134-15 (b) If a lien is foreclosed by nonjudicial means, the
 134-16 department may issue a new [~~certificate of~~] title in the name of the
 134-17 purchaser at the foreclosure sale on receiving the affidavit of the
 134-18 lienholder of the fact of the nonjudicial foreclosure.

134-19 (c) If a constitutional or statutory lien is foreclosed, the
 134-20 department may issue a new [~~certificate of~~] title in the name of the
 134-21 purchaser at the foreclosure sale on receiving:

- 134-22 (1) the affidavit of the lienholder of the fact of the
- 134-23 creation of the lien and of the divestiture of title according to
- 134-24 law; and
- 134-25 (2) proof of notice as required by Sections 70.004 and
- 134-26 70.006, Property Code.

134-27 SECTION 33.034. Section 501.091, Transportation Code, is
 134-28 amended by amending Subdivisions (2), (3), (6), (7), (8), (9),
 134-29 (10), (11), (12), (14), (15), (16), (17), (18), and (19) and adding
 134-30 Subdivisions (10-a) and (16-a) to read as follows:

134-31 (2) "Casual sale" means the sale by a salvage vehicle
 134-32 dealer or an insurance company of five or fewer [~~not more than five~~]
 134-33 nonrepairable motor vehicles or salvage motor vehicles to the same
 134-34 person during a calendar year, but [~~The term~~] does not include[+
 134-35 [~~(A)~~] a sale at auction to a salvage vehicle
 134-36 dealer, insurance company, or governmental entity [~~or~~
 134-37 [~~(B)~~] the sale of an export-only motor vehicle to
 134-38 a person who is not a resident of the United States].

134-39 (3) "Damage" means sudden damage to a motor vehicle
 134-40 caused by the motor vehicle being wrecked, burned, flooded, or
 134-41 stripped of major component parts. The term does not include:

- 134-42 (A) gradual damage from any cause;
- 134-43 (B) [~~7~~] sudden damage caused by hail;
- 134-44 (C) [~~7-or~~] any damage caused only to the exterior
 134-45 paint of the motor vehicle; or
- 134-46 (D) theft, unless the motor vehicle was damaged
 134-47 during the theft and before recovery.

134-48 (6) "Major component part" means one of the following
 134-49 parts of a motor vehicle:

- 134-50 (A) the engine;
- 134-51 (B) the transmission;
- 134-52 (C) the frame;
- 134-53 (D) a fender;
- 134-54 (E) the hood;
- 134-55 (F) a door allowing entrance to or egress from
 134-56 the passenger compartment of the motor vehicle;
- 134-57 (G) a bumper;
- 134-58 (H) a quarter panel;
- 134-59 (I) a deck lid, tailgate, or hatchback;
- 134-60 (J) the cargo box of a vehicle with a gross
 134-61 vehicle weight of 10,000 pounds or less [~~one-ton or smaller truck~~],
 134-62 including a pickup truck;
- 134-63 (K) the cab of a truck;
- 134-64 (L) the body of a passenger motor vehicle;
- 134-65 (M) the roof or floor pan of a passenger motor
 134-66 vehicle, if separate from the body of the motor vehicle.

134-67 (7) "Metal recycler" means a person who:
 134-68 (A) is [~~predominately~~] engaged in the business of
 134-69 obtaining, converting, or selling ferrous or nonferrous metal [~~that~~

135-1 ~~has served its original economic purpose to convert the metal, or~~
 135-2 ~~sell the metal]~~ for conversion~~[r]~~ into raw material products
 135-3 consisting of prepared grades and having an existing or potential
 135-4 economic value;

135-5 (B) has a facility to convert ferrous or
 135-6 nonferrous metal into raw material products ~~[consisting of prepared~~
 135-7 ~~grades and having an existing or potential economic value,]~~ by
 135-8 method other than the exclusive use of hand tools, including the
 135-9 processing, sorting, cutting, classifying, cleaning, baling,
 135-10 wrapping, shredding, shearing, or changing the physical form or
 135-11 chemical content of the metal; and

135-12 (C) sells or purchases the ferrous or nonferrous
 135-13 metal solely for use as raw material in the production of new
 135-14 products.

135-15 (8) "Motor vehicle" has the meaning assigned by
 135-16 Section 501.002 ~~[501.002(14)]~~.

135-17 (9) "Nonrepairable motor vehicle" means a motor
 135-18 vehicle that:

135-19 (A) is damaged, wrecked, or burned to the extent
 135-20 that the only residual value of the vehicle is as a source of parts
 135-21 or scrap metal; or

135-22 (B) comes into this state under a comparable
 135-23 ~~[title or other]~~ ownership document that indicates that the vehicle
 135-24 is nonrepairable ~~[, junked, or for parts or dismantling only]~~.

135-25 (10) "Nonrepairable vehicle title" means a printed
 135-26 document issued by the department that evidences ownership of a
 135-27 nonrepairable motor vehicle.

135-28 (10-a) "Nonrepairable record of title" means an
 135-29 electronic record of ownership of a nonrepairable motor vehicle.

135-30 (11) "Out-of-state buyer" means a person licensed in
 135-31 an automotive business by another state or jurisdiction who is [if
 135-32 the department has listed the holders of such a license as permitted
 135-33 purchasers of salvage motor vehicles or nonrepairable motor
 135-34 vehicles based on substantially similar licensing requirements and
 135-35 on whether salvage vehicle dealers licensed in Texas are] permitted
 135-36 to purchase salvage motor vehicles or nonrepairable motor vehicles
 135-37 in this state because the other state or jurisdiction allows
 135-38 salvage dealers licensed in this state to purchase vehicles in that
 135-39 state.

135-40 (12) "Out-of-state ownership document" means a
 135-41 negotiable document issued by another state or jurisdiction that
 135-42 the department considers sufficient to prove ownership of a
 135-43 nonrepairable motor vehicle or salvage motor vehicle and to support
 135-44 the issuance of a comparable Texas ~~[certificate of]~~ title for the
 135-45 motor vehicle. The term does not include any ~~[a]~~ title or
 135-46 certificate issued by the department ~~[, including a regular~~
 135-47 ~~certificate of title, a nonrepairable vehicle title, a salvage~~
 135-48 ~~vehicle title, a Texas Salvage Certificate, Certificate of~~
 135-49 ~~Authority to Demolish a Motor Vehicle, or another ownership~~
 135-50 ~~document issued by the department].~~

135-51 (14) "Rebuilder" means a person who acquires and
 135-52 repairs, rebuilds, or reconstructs salvage motor vehicles for
 135-53 operation on a public highway~~[, three or more salvage motor~~
 135-54 ~~vehicles in a calendar year].~~

135-55 (15) "Salvage motor vehicle" [+
 135-56 [+A+] means a motor vehicle that:

135-57 (A) ~~[+i+]~~ has damage to or is missing a major
 135-58 component part to the extent that the cost of repairs, including
 135-59 parts and labor other than the cost of materials and labor for
 135-60 repainting the motor vehicle and excluding sales tax on the total
 135-61 cost of repairs, exceeds the actual cash value of the motor vehicle
 135-62 immediately before the damage; or

135-63 (B) ~~[+ii+ is damaged and that]~~ comes into this
 135-64 state under an out-of-state salvage motor vehicle ~~[certificate of]~~
 135-65 title or similar out-of-state ownership document ~~[that states on~~
 135-66 ~~its face "accident damage," "flood damage," "inoperable,"~~
 135-67 ~~"rebuildable," "salvageable," or similar notation, and~~

135-68 ~~[+B+ does not include an out-of-state motor~~
 135-69 ~~vehicle with a "rebuilt," "prior salvage," "salvaged," or similar~~

136-1 ~~notation, a nonrepairable motor vehicle, or a motor vehicle for~~
 136-2 ~~which an insurance company has paid a claim for.~~

136-3 ~~[(i) the cost of repairing hail damage, or~~
 136-4 ~~[(ii) theft, unless the motor vehicle was~~
 136-5 ~~damaged during the theft and before recovery to the extent~~
 136-6 ~~described by Paragraph (A)(i)].~~

136-7 (16) "Salvage vehicle title" means a printed document
 136-8 issued by the department that evidences ownership of a salvage
 136-9 motor vehicle.

136-10 (16-a) "Salvage record of title" means an electronic
 136-11 record of ownership of a salvage motor vehicle.

136-12 (17) "Salvage vehicle dealer" means a person engaged
 136-13 in this state in the business of acquiring, selling, dismantling,
 136-14 repairing, rebuilding, reconstructing, or otherwise dealing in
 136-15 nonrepairable motor vehicles, salvage motor vehicles, or used parts
 136-16 regardless of whether the person holds a license issued by the
 136-17 department to engage in that business. [The term does not include a
 136-18 person who casually repairs, rebuilds, or reconstructs fewer than
 136-19 three salvage motor vehicles in the same calendar year.] The term
 136-20 includes a buyer licensed in another state but does not include an
 136-21 unlicensed [a] person who casually [engaged in the business of]:

136-22 (A) repairs, rebuilds, or reconstructs five or
 136-23 fewer salvage motor vehicles or nonrepairable motor vehicles in the
 136-24 same calendar year [a salvage vehicle dealer, regardless of whether
 136-25 the person holds a license issued by the department to engage in
 136-26 that business]; or

136-27 (B) buys five or fewer [dealing in] nonrepairable
 136-28 motor vehicles or salvage motor vehicles in the same calendar year
 136-29 [, regardless of whether the person deals in used parts, or

136-30 [C] dealing in used parts regardless of whether
 136-31 the person deals in nonrepairable motor vehicles or salvage motor
 136-32 vehicles].

136-33 (18) "Self-insured motor vehicle" means a motor
 136-34 vehicle for which the ~~[evidence of ownership is a manufacturer's~~
 136-35 ~~certificate of origin or for which the department or another state~~
 136-36 ~~or jurisdiction has issued a regular certificate of title, is~~
 136-37 ~~self-insured by the] owner [, and is owned by an individual, a~~
 136-38 ~~business,] or a governmental entity assumes full financial
 136-39 responsibility for motor vehicle loss claims[.] without regard to
 136-40 the number of motor vehicles they own or operate. The term does not
 136-41 include a motor vehicle that is insured by an insurance company.~~

136-42 (19) "Used part" means a part that is salvaged,
 136-43 dismantled, or removed from a motor vehicle for resale as is or as
 136-44 repaired. The term includes a major component part but does not
 136-45 include a rebuildable or rebuilt core ~~[, including an engine,~~
 136-46 ~~block, crankshaft, transmission, or other core part that is~~
 136-47 ~~acquired, possessed, or transferred in the ordinary course of~~
 136-48 ~~business].~~

136-49 SECTION 33.035. Section 501.098, Transportation Code, is
 136-50 renumbered as Section 501.09111, Transportation Code, and amended
 136-51 to read as follows:

136-52 Sec. 501.09111 [501.098]. RIGHTS AND LIMITATIONS OF
 136-53 [HOLDER OF] NONREPAIRABLE VEHICLE TITLE, NONREPAIRABLE RECORD OF
 136-54 TITLE, [OR] SALVAGE VEHICLE TITLE, OR SALVAGE RECORD OF TITLE. (a)
 136-55 A person who owns ~~[holds]~~ a nonrepairable ~~[vehicle title for a]~~
 136-56 motor vehicle:

136-57 (1) is entitled to possess, transport, dismantle,
 136-58 scrap, destroy, record a lien as provided for in Section
 136-59 501.097(a)(3)(A), and sell, transfer, or release ownership of the
 136-60 motor vehicle or a used part from the motor vehicle; and

136-61 (2) may not:
 136-62 (A) operate or permit the operation of the motor
 136-63 vehicle on a public highway, in addition to any other requirement of
 136-64 law;

136-65 (B) repair, rebuild, or reconstruct the motor
 136-66 vehicle; or

136-67 (C) register the motor vehicle.

136-68 (b) A person who holds a nonrepairable certificate of title
 136-69 issued prior to September 1, 2003, [+]

137-1 ~~[(1)]~~ is entitled to the same rights listed in
 137-2 Subsection (a) and may [+

137-3 ~~[(A)]~~ repair, rebuild, or reconstruct the motor
 137-4 vehicle [+

137-5 ~~[(B) possess, transport, dismantle, scrap, or~~
 137-6 ~~destroy the motor vehicle, and~~

137-7 ~~[(C) sell, transfer, or release ownership of the~~
 137-8 ~~vehicle or a used part from the motor vehicle, and~~

137-9 ~~[(2) may not~~

137-10 ~~[(A) operate or permit the operation of the motor~~
 137-11 ~~vehicle on a public highway, in addition to any other requirement of~~
 137-12 ~~law, or~~

137-13 ~~[(B) register the motor vehicle].~~

137-14 (c) A person who owns [~~holds~~] a salvage [~~vehicle title for~~
 137-15 ~~a] motor vehicle:~~

137-16 (1) is entitled to possess, transport, dismantle,
 137-17 scrap, destroy, repair, rebuild, reconstruct, record a lien on, and
 137-18 sell, transfer, or release ownership of the motor vehicle or a used
 137-19 part from the motor vehicle; and

137-20 (2) may not operate, register, or permit the operation
 137-21 of the motor vehicle on a public highway, in addition to any other
 137-22 requirement of law.

137-23 SECTION 33.036. Section 501.103, Transportation Code, is
 137-24 renumbered as Section 501.09112, Transportation Code, and amended
 137-25 to read as follows:

137-26 Sec. 501.09112 [~~501.103~~]. APPEARANCE [COLOR] OF
 137-27 NONREPAIRABLE VEHICLE TITLE OR SALVAGE VEHICLE TITLE. (a) The
 137-28 department's printed [~~department shall print a]~~ nonrepairable
 137-29 vehicle title:

137-30 (1) must [~~in a color that distinguishes it from a~~
 137-31 ~~regular certificate of title or salvage vehicle title, and~~

137-32 ~~[(2) so that it]~~ clearly indicate [~~shows~~] that it is
 137-33 the negotiable ownership document for a nonrepairable motor
 137-34 vehicle;

137-35 (2) [-

137-36 [~~(b) A nonrepairable vehicle title must state on its face~~
 137-37 ~~that the motor vehicle~~+

137-38 ~~[(1)]~~ may not be:

137-39 (A) issued a regular [~~certificate of~~] title;

137-40 (B) registered in this state; or

137-41 (C) repaired, rebuilt, or reconstructed; and

137-42 (3) [~~(2)~~] may be used only as a source for used parts
 137-43 or scrap metal.

137-44 (b) [~~(c)~~] The department's printed [~~department shall print~~
 137-45 ~~a] salvage vehicle title must [+~~

137-46 ~~[(A) in a color that distinguishes it from a~~
 137-47 ~~regular certificate of title or nonrepairable vehicle title, and~~

137-48 ~~[(B) so that each document]~~ clearly show [~~shows~~]
 137-49 that it is the ownership document for a salvage motor vehicle.

137-50 (c) [~~(d)~~] A salvage vehicle title or a salvage record of
 137-51 title for a vehicle that is a salvage motor vehicle because of
 137-52 damage caused exclusively by flood must bear a notation [~~on its~~
 137-53 ~~face]~~ that the department considers appropriate. If the title for a
 137-54 motor vehicle reflects the notation required by this subsection,
 137-55 the owner may sell, transfer, or release the motor vehicle only as
 137-56 provided by this subchapter.

137-57 (d) An electronic application for a nonrepairable vehicle
 137-58 title, nonrepairable record of title, salvage vehicle title, or
 137-59 salvage record of title must clearly advise the applicant of the
 137-60 same provisions required on a printed title.

137-61 (e) A nonrepairable vehicle title, nonrepairable record of
 137-62 title, salvage vehicle title, or salvage record of title in the
 137-63 department's electronic database must include appropriate remarks
 137-64 so that the vehicle record clearly shows the status of the vehicle
 137-65 [~~The department may provide a stamp to a person who is a licensed~~
 137-66 ~~salvage vehicle dealer under Chapter 2302, Occupations Code, to~~
 137-67 ~~mark the face of a title under this subchapter. The department~~
 137-68 ~~shall provide the stamp to the person for a fee in the amount~~
 137-69 ~~determined by the department to be necessary for the department to~~

138-1 ~~recover the cost of providing the stamp].~~

138-2 SECTION 33.037. Section 501.101, Transportation Code, is
138-3 renumbered as Section 501.09113, Transportation Code, and amended
138-4 to read as follows:

138-5 Sec. 501.09113 [501.101]. OUT-OF-STATE SALVAGE OR REBUILT
138-6 SALVAGE VEHICLE [~~ISSUANCE OF TITLE TO MOTOR VEHICLE BROUGHT INTO~~
138-7 ~~STATE~~]. (a) This section applies only to a motor vehicle brought
138-8 into this state from another state or jurisdiction that has on any
138-9 [~~certificate of~~] title or comparable out-of-state ownership
138-10 document issued by the other state or jurisdiction:

138-11 (1) a "rebuilt," "salvage," or similar notation; or

138-12 (2) a "nonrepairable," "dismantle only," "parts
138-13 only," "junked," "scrapped," or similar notation.

138-14 (b) On receipt of a complete application from the owner of
138-15 the motor vehicle, the department shall issue the applicant the
138-16 appropriate [~~certificate of~~] title for the motor vehicle.

138-17 [~~(c) A certificate of title issued under this section must~~
138-18 ~~show on its face:~~

138-19 [~~(1) the date of issuance,~~

138-20 [~~(2) the name and address of the owner,~~

138-21 [~~(3) any registration number assigned to the motor~~
138-22 ~~vehicle, and~~

138-23 [~~(4) a description of the motor vehicle or other~~
138-24 ~~notation the department considers necessary or appropriate.]~~

138-25 SECTION 33.038. The heading to Section 501.095,
138-26 Transportation Code, is amended to read as follows:

138-27 Sec. 501.095. SALE, TRANSFER, OR RELEASE [~~OF NONREPAIRABLE~~
138-28 ~~MOTOR VEHICLE OR SALVAGE MOTOR VEHICLE~~].

138-29 SECTION 33.039. Section 501.095, Transportation Code, is
138-30 amended to read as follows:

138-31 Sec. 501.095. SALE, TRANSFER, OR RELEASE OF NONREPAIRABLE
138-32 MOTOR VEHICLE OR SALVAGE MOTOR VEHICLE. (a) If the department has
138-33 not issued a nonrepairable vehicle title, nonrepairable record of
138-34 title, [or] salvage vehicle title, or salvage record of title for
138-35 the motor vehicle and a comparable [~~an~~] out-of-state ownership
138-36 document for the motor vehicle has not been issued by another state
138-37 or jurisdiction, a business or governmental entity described by
138-38 Subdivisions (1)-(3) may sell, transfer, or release a nonrepairable
138-39 motor vehicle or salvage motor vehicle only to a person who is:

138-40 (1) a licensed salvage vehicle dealer or metal
138-41 recycler under Chapter 2302, Occupations Code;

138-42 (2) an insurance company that has paid a claim on the
138-43 nonrepairable or salvage motor vehicle; or

138-44 (3) a governmental entity [~~or~~]

138-45 [~~(4) an out-of-state buyer~~].

138-46 (b) An owner [~~A person~~], other than a salvage vehicle dealer
138-47 or an insurance company licensed to do business in this state, who
138-48 acquired ownership of a nonrepairable or salvage motor vehicle that
138-49 has not been issued a nonrepairable vehicle title, nonrepairable
138-50 record of title, salvage vehicle title, salvage record of title, or
138-51 a comparable ownership document issued by another state or
138-52 jurisdiction shall, before selling the motor vehicle, surrender the
138-53 properly assigned [~~certificate of~~] title for the motor vehicle to
138-54 the department and apply to the department for the appropriate
138-55 ownership document [+]

138-56 [~~(1) a nonrepairable vehicle title if the vehicle is a~~
138-57 ~~nonrepairable motor vehicle, or~~

138-58 [~~(2) a salvage vehicle title if the vehicle is a~~
138-59 ~~salvage motor vehicle~~].

138-60 (c) If the department has issued a nonrepairable vehicle
138-61 title, [~~or~~] salvage vehicle title, or nonrepairable or salvage
138-62 record of title for the motor vehicle or another state or
138-63 jurisdiction has issued a comparable out-of-state ownership
138-64 document for the motor vehicle, a person may sell, transfer, or
138-65 release a nonrepairable motor vehicle or salvage motor vehicle to
138-66 any person.

138-67 SECTION 33.040. Section 501.097, Transportation Code, is
138-68 amended by amending Subsections (a) and (c) and adding Subsection
138-69 (c-1) to read as follows:

139-1 (a) An application for a nonrepairable vehicle title,
 139-2 nonrepairable record of title, ~~or~~ salvage vehicle title, or
 139-3 salvage record of title must:

139-4 (1) be made in ~~an~~ a manner ~~[form]~~ prescribed by the
 139-5 department and accompanied by a \$8 application fee;

139-6 (2) include, in addition to any other information
 139-7 required by the department:

139-8 (A) the name and current address of the owner;
 139-9 and

139-10 (B) a description of the motor vehicle, including
 139-11 the make, style of body, model year, and vehicle identification
 139-12 number ~~[, and~~

139-13 ~~[(C) a statement describing whether the motor~~
 139-14 ~~vehicle~~

139-15 ~~[(i) was the subject of a total loss claim~~
 139-16 ~~paid by an insurance company under Section 501.092 or 501.093,~~

139-17 ~~[(ii) is a self-insured motor vehicle under~~
 139-18 ~~Section 501.094,~~

139-19 ~~[(iii) is an export-only motor vehicle~~
 139-20 ~~under Section 501.099, or~~

139-21 ~~[(iv) was sold, transferred, or released to~~
 139-22 ~~the owner or former owner of the motor vehicle or a buyer at a casual~~
 139-23 ~~sale]; and~~

139-24 (3) include the name and address of:

139-25 (A) any currently recorded lienholder, if the
 139-26 motor vehicle is a nonrepairable motor vehicle; or

139-27 (B) any currently recorded lienholder or a new
 139-28 lienholder, if the motor vehicle is a salvage motor vehicle.

139-29 (c) A printed nonrepairable vehicle title must state on its
 139-30 face that the motor vehicle:

139-31 (1) may not:

139-32 (A) be repaired, rebuilt, or reconstructed;

139-33 (B) be issued a regular ~~[certificate of]~~ title or
 139-34 registered in this state;

139-35 (C) be operated on a public highway, in addition
 139-36 to any other requirement of law; and

139-37 (2) may only be used as a source for used parts or
 139-38 scrap metal.

139-39 (c-1) The department's titling system must include a remark
 139-40 that clearly identifies the vehicle as a salvage or nonrepairable
 139-41 motor vehicle.

139-42 SECTION 33.041. Sections 501.100(a), (b), (c), and (f),
 139-43 Transportation Code, are amended to read as follows:

139-44 (a) A vehicle for which a nonrepairable certificate of title
 139-45 issued prior to September 1, 2003, or for which a salvage vehicle
 139-46 title or salvage record of title has been issued may obtain ~~be~~

139-47 issued a regular ~~[certificate of]~~ title after the motor vehicle
 139-48 has been repaired, rebuilt, or reconstructed ~~[by a person described~~

139-49 ~~by Section 501.104(a)]~~ and, in addition to any other requirement of
 139-50 law, only if the application ~~[is accompanied by a separate form~~

139-51 ~~that]~~:

139-52 (1) describes each major component part used to repair
 139-53 the motor vehicle;

139-54 (2) states the name of each person from whom the parts
 139-55 used in assembling the vehicle were obtained; and

139-56 (3) ~~[(2)]~~ shows the identification number required by
 139-57 federal law to be affixed to or inscribed on the part.

139-58 (b) On receipt of a complete application under this section
 139-59 accompanied by the ~~[\$13]~~ fee for the ~~[certificate of]~~ title, the

139-60 department shall issue the applicant a regular or record
 139-61 [certificate] of title ~~[for the motor vehicle]~~.

139-62 (c) A regular ~~[certificate of]~~ title issued under this
 139-63 section must ~~[, and~~

139-64 ~~[(1)]~~ describe or disclose the motor vehicle's former
 139-65 condition in a manner reasonably understandable to a potential
 139-66 purchaser of the motor vehicle ~~[, and~~

139-67 ~~[(2) bear on its face the words "REBUILT SALVAGE" in~~
 139-68 ~~capital letters that,~~

139-69 ~~[(A) are red,~~

140-1 ~~[(B) are centered on and occupy at least 15~~
 140-2 ~~percent of the face of the certificate of title, and~~
 140-3 ~~[(C) do not prevent any other words on the title~~
 140-4 ~~from being read or copied].~~

140-5 (f) The department may not issue a regular ~~[certificate of]~~
 140-6 title for a motor vehicle based on a:

140-7 (1) nonrepairable vehicle title or comparable
 140-8 out-of-state ownership document;

140-9 (2) receipt issued under Section 501.1003(b)
 140-10 ~~[501.096(b)]~~; or

140-11 (3) certificate of authority.

140-12 SECTION 33.042. Section 501.092, Transportation Code, is
 140-13 renumbered as Section 501.1001, Transportation Code, and amended to
 140-14 read as follows:

140-15 Sec. 501.1001 ~~[501.092]~~. ~~[INSURANCE COMPANY TO SURRENDER~~
 140-16 ~~CERTIFICATES OF TITLE TO CERTAIN]~~ SALVAGE MOTOR VEHICLES OR
 140-17 NONREPAIRABLE MOTOR VEHICLES FOR INSURANCE COMPANIES OR
 140-18 SELF-INSURED PERSONS. (a) An insurance company that is licensed to
 140-19 conduct business in this state and that acquires, through payment
 140-20 of a claim, ownership or possession of a salvage motor vehicle or
 140-21 nonrepairable motor vehicle covered by a ~~[certificate of]~~ title
 140-22 issued by this state or a manufacturer's certificate of origin
 140-23 shall surrender a properly assigned title or manufacturer's
 140-24 certificate of origin to the department, in [an] a manner [form]
 140-25 prescribed by the department, except that not earlier than the 31st
 140-26 ~~[46th]~~ day after the date of payment of the claim the insurance
 140-27 company may surrender a ~~[certificate of]~~ title, in [an] a manner
 140-28 ~~[form]~~ prescribed by the department, and receive a salvage vehicle
 140-29 ~~[certificate of]~~ title or a nonrepairable vehicle ~~[certificate of]~~
 140-30 title without obtaining a properly assigned ~~[certificate of]~~ title
 140-31 if the insurance company:

140-32 (1) has obtained the release of all liens on the motor
 140-33 vehicle;

140-34 (2) is unable to locate one or more owners of the motor
 140-35 vehicle; and

140-36 (3) has provided notice to the last known address in
 140-37 the department's records to each owner that has not been located:

140-38 (A) by registered or certified mail, return
 140-39 receipt requested; or

140-40 (B) if a notice sent under Paragraph (A) is
 140-41 returned unclaimed, by publication in a newspaper of general
 140-42 circulation in the area where the unclaimed mail notice was sent.

140-43 (b) For a salvage motor vehicle, the insurance company shall
 140-44 apply for a salvage vehicle title or salvage record of title. For a
 140-45 nonrepairable motor vehicle, the insurance company shall apply for
 140-46 a nonrepairable vehicle title or nonrepairable record of title.

140-47 (c) ~~[An insurance company may not sell a motor vehicle to~~
 140-48 ~~which this section applies unless the department has issued a~~
 140-49 ~~salvage vehicle title or a nonrepairable vehicle title for the~~
 140-50 ~~motor vehicle or a comparable ownership document has been issued by~~
 140-51 ~~another state or jurisdiction for the motor vehicle.~~

140-52 ~~[(d) An insurance company may sell a motor vehicle to which~~
 140-53 ~~this section applies, or assign a salvage vehicle title or a~~
 140-54 ~~nonrepairable vehicle title for the motor vehicle, only to a~~
 140-55 ~~salvage vehicle dealer, an out-of-state buyer, a buyer in a casual~~
 140-56 ~~sale at auction, or a metal recycler. If the motor vehicle is not a~~
 140-57 ~~salvage motor vehicle or a nonrepairable motor vehicle, the~~
 140-58 ~~insurance company is not required to surrender the regular~~
 140-59 ~~certificate of title for the vehicle or to be issued a salvage~~
 140-60 ~~vehicle title or a nonrepairable vehicle title for the motor~~
 140-61 ~~vehicle.~~

140-62 ~~[(e)]~~ An insurance company or other person who acquires
 140-63 ownership of a motor vehicle other than a nonrepairable or salvage
 140-64 motor vehicle may voluntarily and on proper application obtain a
 140-65 salvage vehicle title, salvage record of title, [or a]
 140-66 nonrepairable vehicle title, or nonrepairable record of title for
 140-67 the vehicle.

140-68 (d) This section applies only to a motor vehicle in this
 140-69 state that is:

141-1 (1) a self-insured motor vehicle; and
 141-2 (2) damaged to the extent it becomes a nonrepairable
 141-3 or salvage motor vehicle.

141-4 (e) The owner of a motor vehicle to which this section
 141-5 applies shall submit to the department before the 31st business day
 141-6 after the date of the damage, in a manner prescribed by the
 141-7 department, a statement that the motor vehicle was self-insured and
 141-8 damaged.

141-9 (f) When the owner submits a statement under Subsection (e),
 141-10 the owner shall surrender the ownership document and apply for a
 141-11 nonrepairable vehicle title, nonrepairable record of title,
 141-12 salvage vehicle title, or salvage record of title.

141-13 SECTION 33.043. Section 501.093, Transportation Code, is
 141-14 renumbered as Section 501.1002, Transportation Code, and amended to
 141-15 read as follows:

141-16 Sec. 501.1002 [~~501.093~~]. OWNER-RETAINED [~~INSURANCE~~
 141-17 ~~COMPANY REPORT ON CERTAIN~~] VEHICLES. (a) If an insurance company
 141-18 pays a claim on a nonrepairable motor vehicle or salvage motor
 141-19 vehicle and the insurance company does not acquire ownership of the
 141-20 motor vehicle, the insurance company shall:

141-21 (1) apply for a nonrepairable vehicle title,
 141-22 nonrepairable record of title, salvage vehicle title, or salvage
 141-23 record of title; or

141-24 (2) notify the owner of the information contained in:

141-25 (A) Subsection (b); or
 141-26 (B) Section 501.09111; and

141-27 (3) submit to the department, before the 31st day
 141-28 after the date of the payment of the claim, in a manner [~~on the~~
 141-29 ~~form~~] prescribed by the department, a report stating that the
 141-30 insurance company:

141-31 (A) [~~1~~] has paid a claim on the motor vehicle;
 141-32 and

141-33 (B) [~~2~~] has not acquired ownership of the motor
 141-34 vehicle.

141-35 (b) The owner of a motor vehicle to which this section
 141-36 applies may not operate or permit operation of the motor vehicle on
 141-37 a public highway or transfer ownership of the motor vehicle by sale
 141-38 or otherwise unless the department has issued a salvage vehicle
 141-39 title, salvage record of title, [~~or a~~] nonrepairable vehicle title,
 141-40 or nonrepairable record of title for the motor vehicle or a
 141-41 comparable ownership document has been issued by another state or
 141-42 jurisdiction for the motor vehicle.

141-43 [~~(c) Subsection (b) does not apply if,~~

141-44 [~~(1) the department has issued a nonrepairable vehicle~~
 141-45 ~~title or salvage vehicle title for the motor vehicle; or~~

141-46 [~~(2) another state or jurisdiction has issued a~~
 141-47 ~~comparable out-of-state ownership document for the motor vehicle.]~~

141-48 SECTION 33.044. Section 501.096, Transportation Code, is
 141-49 renumbered as Section 501.1003, Transportation Code, and amended to
 141-50 read as follows:

141-51 Sec. 501.1003 [~~501.096~~]. [~~NONREPAIRABLE MOTOR VEHICLE OR~~
 141-52 ~~SALVAGE DEALER RESPONSIBILITIES~~ [~~MOTOR VEHICLE DISMANTLED,~~
 141-53 ~~SCRAPPED, OR DESTROYED~~]. (a) If a salvage vehicle dealer acquires
 141-54 ownership of a nonrepairable motor vehicle or salvage motor vehicle
 141-55 for the purpose of dismantling, scrapping, or destroying the motor
 141-56 vehicle, the dealer shall, before the 31st day after the date the
 141-57 dealer acquires the motor vehicle, submit to the department a
 141-58 report stating that the motor vehicle will be dismantled, scrapped,
 141-59 or destroyed. The dealer shall:

141-60 (1) make the report in a manner [~~on a form~~] prescribed
 141-61 by the department; and

141-62 (2) submit with the report a properly assigned
 141-63 manufacturer's certificate of origin, regular certificate of
 141-64 title, nonrepairable vehicle title, salvage vehicle title, or
 141-65 comparable out-of-state ownership document for the motor vehicle.

141-66 (b) After receiving the report and title or document, the
 141-67 department shall issue the salvage vehicle dealer a receipt for the
 141-68 manufacturer's certificate of origin, regular certificate of
 141-69 title, nonrepairable vehicle title, salvage vehicle title, or

142-1 comparable out-of-state ownership document.

142-2 (c) The department shall adopt rules to notify the salvage
 142-3 [vehicle] dealer if the vehicle was not issued a printed title, but
 142-4 has a record of title in the department's titling system [shall

142-5 ~~[(1) keep on the business premises of the dealer,~~
 142-6 ~~until the third anniversary of the date the report on the motor~~
 142-7 ~~vehicle is submitted to the department, a record of the vehicle, its~~
 142-8 ~~ownership, and its condition as dismantled, scrapped, or destroyed,~~
 142-9 ~~and~~

142-10 ~~[(2) present to the department, on the form prescribed~~
 142-11 ~~by the department, evidence that the motor vehicle was dismantled,~~
 142-12 ~~scrapped, or destroyed before the 61st day after the date the dealer~~
 142-13 ~~completed the dismantling, scrapping, or destruction of the motor~~
 142-14 ~~vehicle].~~

142-15 SECTION 33.045. Section 501.104, Transportation Code, is
 142-16 amended to read as follows:

142-17 Sec. 501.104. REBUILDER TO POSSESS TITLE OR OTHER
 142-18 DOCUMENTATION. (a) This section applies [~~only~~] to [~~+~~

142-19 ~~[(1) a rebuilder licensed as a salvage vehicle dealer,~~
 142-20 ~~[(2)] a person engaged in repairing, rebuilding, or~~
 142-21 ~~reconstructing motor vehicles [the business of a rebuilder],~~
 142-22 ~~regardless of whether the person is licensed to engage in that~~
 142-23 ~~business [~~+~~ or~~

142-24 ~~[(3) a person engaged in the casual repair,~~
 142-25 ~~rebuilding, or reconstruction of fewer than three motor vehicles in~~
 142-26 ~~the same 12-month period].~~

142-27 (b) A person described by Subsection (a) must possess:

142-28 (1) an acceptable [a regular certificate of title,
 142-29 nonrepairable vehicle title, salvage vehicle title, or comparable
 142-30 out-of-state] ownership document or proof of ownership for any
 142-31 motor vehicle that is:

142-32 (A) owned by the person;
 142-33 (B) in the person's inventory; and
 142-34 (C) being offered for resale; or

142-35 (2) a contract entered into with the owner, a work
 142-36 order, or another document that shows the authority for the person
 142-37 to possess any motor vehicle that is:

142-38 (A) owned by another person;
 142-39 (B) on the person's business or casual premises;

142-40 and
 142-41 (C) being repaired, rebuilt, or reconstructed
 142-42 for the other person.

142-43 SECTION 33.046. Section 501.105, Transportation Code, is
 142-44 renumbered as Section 501.108, Transportation Code, and amended to
 142-45 read as follows:

142-46 Sec. 501.108 [501.105]. RECORD RETENTION [OF RECORDS
 142-47 RELATING TO CERTAIN CASUAL SALES]. (a) Each licensed salvage
 142-48 vehicle dealer or insurance company that sells a nonrepairable
 142-49 motor vehicle or a salvage motor vehicle at a casual sale shall keep
 142-50 on the business premises of the dealer or the insurance company a
 142-51 list of all casual sales made during the preceding 36-month period
 142-52 that contains:

142-53 (1) the date of the sale;
 142-54 (2) the name of the purchaser;
 142-55 (3) the name of the jurisdiction that issued the
 142-56 identification document provided by the purchaser, as shown on the
 142-57 document; and
 142-58 (4) the vehicle identification number.

142-59 (b) The salvage vehicle dealer shall keep on the business
 142-60 premises of the dealer, until the third anniversary of the date the
 142-61 report on the motor vehicle is submitted to the department, a record
 142-62 of the vehicle, its ownership, and its condition as dismantled,
 142-63 scrapped, or destroyed.

142-64 SECTION 33.047. Section 501.102, Transportation Code, is
 142-65 renumbered as Section 501.109, Transportation Code, and amended to
 142-66 read as follows:

142-67 Sec. 501.109 [501.102]. OFFENSES. (a) A person commits an
 142-68 offense if the person:

142-69 (1) applies to the department for a regular

143-1 ~~[certificate of]~~ title for a motor vehicle; and
 143-2 (2) knows or reasonably should know that:
 143-3 (A) the vehicle is a nonrepairable motor vehicle
 143-4 that has been repaired, rebuilt, or reconstructed;
 143-5 (B) the vehicle identification number assigned
 143-6 to the motor vehicle belongs to a nonrepairable motor vehicle that
 143-7 has been repaired, rebuilt, or reconstructed;
 143-8 (C) the title issued to the motor vehicle belongs
 143-9 to a nonrepairable motor vehicle that has been repaired, rebuilt,
 143-10 or reconstructed; or
 143-11 (D) ~~[the vehicle identification number assigned~~
 143-12 ~~to the motor vehicle belongs to an export-only motor vehicle,~~
 143-13 ~~[(E) the motor vehicle is an export-only motor~~
 143-14 ~~vehicle, or~~
 143-15 ~~[(F)]~~ the motor vehicle is a nonrepairable motor
 143-16 vehicle or salvage motor vehicle for which a nonrepairable vehicle
 143-17 title, salvage vehicle title, or comparable ownership document
 143-18 issued by another state or jurisdiction has not been issued.
 143-19 (b) A person commits an offense if the person knowingly
 143-20 sells, transfers, or releases a salvage motor vehicle in violation
 143-21 of this subchapter.
 143-22 (c) A person commits an offense if the person knowingly
 143-23 fails or refuses to surrender a regular certificate of title after
 143-24 the person:
 143-25 (1) receives a notice from an insurance company that
 143-26 the motor vehicle is a nonrepairable or salvage motor vehicle; or
 143-27 (2) knows the vehicle has become a nonrepairable motor
 143-28 vehicle or salvage motor vehicle under Section 501.1001 ~~[501.094]~~.
 143-29 (d) Except as provided by Subsection (e), an offense under
 143-30 this section is a Class C misdemeanor.
 143-31 (e) If it is shown on the trial of an offense under this
 143-32 section that the defendant has been previously convicted of:
 143-33 (1) one offense under this section, the offense is a
 143-34 Class B misdemeanor; or
 143-35 (2) two or more offenses under this section, the
 143-36 offense is a state jail felony.
 143-37 SECTION 33.048. Section 501.106, Transportation Code, is
 143-38 renumbered as Section 501.110, Transportation Code, and amended to
 143-39 read as follows:
 143-40 Sec. 501.110 ~~[501.106]~~. ENFORCEMENT OF SUBCHAPTER. (a)
 143-41 This subchapter shall be enforced by the department and any other
 143-42 governmental or law enforcement entity, including the Department of
 143-43 Public Safety, and the personnel of the entity as provided by this
 143-44 subchapter.
 143-45 (b) The department, an agent, officer, or employee of the
 143-46 department, or another person enforcing this subchapter is not
 143-47 liable to a person damaged or injured by an act or omission relating
 143-48 to the issuance of a ~~[regular certificate of]~~ title, nonrepairable
 143-49 vehicle title, nonrepairable record of title, ~~[or]~~ salvage vehicle
 143-50 title, or salvage record of title under this subchapter.
 143-51 SECTION 33.049. Section 501.111(a), Transportation Code,
 143-52 is amended to read as follows:
 143-53 (a) Except as provided by Subsection (b), a person may
 143-54 perfect a security interest in a motor vehicle that is the subject
 143-55 of a first or subsequent sale only by recording the security
 143-56 interest on the ~~[certificate of]~~ title as provided by this chapter.
 143-57 SECTION 33.050. Sections 501.113(a) and (b),
 143-58 Transportation Code, are amended to read as follows:
 143-59 (a) Recordation of a lien under this chapter is considered
 143-60 to occur when the department's titling system is updated or the
 143-61 department ~~[county assessor-collector]~~
 143-62 ~~[(1) is presented with an application for a~~
 143-63 ~~certificate of title that discloses the lien with tender of the~~
 143-64 ~~filing fee, or~~
 143-65 ~~[(2)]~~ accepts the application of title that discloses
 143-66 the lien with the filing fee.
 143-67 (b) For purposes of Chapter 9, Business & Commerce Code, the
 143-68 time of recording a lien under this chapter is considered to be the
 143-69 time of filing the security interest, and on such recordation the

144-1 recorded lienholder and assignees under Section 501.114 will obtain
 144-2 priority over the rights of a lien creditor as defined by Section
 144-3 9.102, Business & Commerce Code, for so long as the lien is recorded
 144-4 on the title.

144-5 SECTION 33.051. Section 501.114, Transportation Code, is
 144-6 amended to read as follows:

144-7 Sec. 501.114. ASSIGNMENT OF LIEN. (a) A lienholder may
 144-8 assign a lien recorded under Section 501.113 without making any
 144-9 filing or giving any notice under this chapter. The lien assigned
 144-10 remains valid and perfected and retains its priority, securing the
 144-11 obligation assigned to the assignee, against transferees from and
 144-12 creditors of the original debtor, including lien creditors, as
 144-13 defined by Section 9.102, Business & Commerce Code.

144-14 (b) An assignee or assignor may, but is not required to in
 144-15 order to retain the validity, perfection, and priority of the lien
 144-16 assigned, as evidence of the assignment of a lien recorded under
 144-17 Section 501.113 [by]:

144-18 (1) apply [applying] to the department [county
 144-19 assessor-collector] for the assignee to be named as lienholder on
 144-20 the certificate of title [assignment of the lien]; and

144-21 (2) notify [notifying] the debtor of the assignment.

144-22 (c) Failure [(b) — A lienholder's failure] to make an
 144-23 application under Subsection (b) or to notify a debtor of an
 144-24 assignment does not create a cause of action against the recorded
 144-25 lienholder or the assignor or the assignee or affect the
 144-26 continuation of the perfected status of the assigned lien in favor
 144-27 of the assignee against transferees from and creditors of the
 144-28 original debtor, including lien creditors, as defined by Section
 144-29 9.102, Business & Commerce Code.

144-30 (d) ~~[(e)]~~ An application under Subsection (b) [(a)] must be
 144-31 acknowledged[+]

144-32 ~~[(1) signed]~~ by the assignee [person] to whom the lien
 144-33 is assigned[+, and

144-34 ~~[(2) accompanied by:~~
 144-35 ~~[(A) the applicable fee,~~
 144-36 ~~[(B) a copy of the assignment agreement executed~~
 144-37 ~~by the parties, and~~
 144-38 ~~[(C) the certificate of title on which the lien~~
 144-39 ~~to be assigned is recorded].~~

144-40 (e) ~~[(d)]~~ On receipt of the completed application and fee,
 144-41 the department may:

144-42 (1) [may] amend the department's records to substitute
 144-43 the assignee [subsequent lienholder] for the recorded [previous]
 144-44 lienholder; and

144-45 (2) [shall] issue a new [certificate of] title as
 144-46 provided by this chapter [Section 501.027].

144-47 (f) Regardless of whether application is made for the
 144-48 assignee to be named as lienholder on the title, the [(e) — The
 144-49 issuance of a certificate of title under Subsection (d) is
 144-50 recordation of the assignment. The] time of the recordation of a
 144-51 lien assigned under this section is considered to be the time the
 144-52 lien was initially recorded under Section 501.113.

144-53 (g) Notwithstanding Subsections (a) through (f) and
 144-54 procedures that may be conducted under those subsections, the
 144-55 assignment of a lien does not affect the procedures applicable to
 144-56 the foreclosure of a worker's lien under Chapter 70, Property Code,
 144-57 or the rights of the holder of a worker's lien. Notice given to the
 144-58 last known lienholder of record, as provided by that chapter, is
 144-59 adequate to allow foreclosure under that chapter.

144-60 (h) Notwithstanding Subsections (a) through (f) and the
 144-61 procedures that may be conducted under those subsections, the
 144-62 assignment of a lien does not affect the procedures applicable to
 144-63 the release of a holder's lien under Section 348.408, Finance Code.

144-64 SECTION 33.052. Section 501.115, Transportation Code, is
 144-65 amended to read as follows:

144-66 Sec. 501.115. DISCHARGE OF LIEN. (a) When a debt or claim
 144-67 secured by a lien has been satisfied, the lienholder shall, within a
 144-68 reasonable time not to exceed the maximum time allowed by Section
 144-69 348.408, Finance Code, execute and deliver to the owner, or the

145-1 owner's designee, a discharge of the lien in ~~an~~ a manner ~~form~~
 145-2 prescribed by the department.

145-3 (b) The owner may submit ~~present~~ the discharge and
 145-4 ~~certificate of~~ title to the department for ~~county~~
 145-5 ~~assessor-collector with an application for a new certificate of~~
 145-6 ~~title and the department shall issue~~ a new ~~certificate of~~ title.

145-7 SECTION 33.053. Section 501.116, Transportation Code, is
 145-8 amended to read as follows:

145-9 Sec. 501.116. CANCELLATION OF DISCHARGED LIEN. The
 145-10 department may cancel a discharged lien that has been recorded on a
 145-11 ~~certificate of~~ title for 10 ~~six~~ years or more if the recorded
 145-12 lienholder:

- 145-13 (1) does not exist; or
 145-14 (2) cannot be located for the owner to obtain a release
 145-15 of the lien.

145-16 SECTION 33.054. Sections 501.134(a), (b), (c), (d), (g),
 145-17 and (i), Transportation Code, are amended to read as follows:

145-18 (a) If a printed ~~certificate of~~ title is lost or
 145-19 destroyed, the owner or lienholder disclosed on the title
 145-20 ~~certificate~~ may obtain, in the manner provided by this section
 145-21 and department rule, a certified copy of the lost or destroyed
 145-22 ~~certificate of~~ title directly from the department by applying in
 145-23 ~~an~~ a manner ~~form~~ prescribed by the department and paying a fee
 145-24 of \$2. A fee collected under this subsection shall be deposited to
 145-25 the credit of the state highway fund and may be spent only as
 145-26 provided by Section 501.138.

145-27 (b) If a lien is disclosed on a ~~certificate of~~ title, the
 145-28 department may issue a certified copy of the original ~~certificate~~
 145-29 ~~of~~ title only to the first lienholder or the lienholder's verified
 145-30 agent.

145-31 (c) The department must plainly mark "certified copy" on the
 145-32 face of a certified copy issued under this section ~~[, and each~~
 145-33 ~~subsequent certificate issued for the motor vehicle until the~~
 145-34 ~~vehicle is transferred]~~. A subsequent purchaser or lienholder of
 145-35 the vehicle only acquires the rights, title, or interest in the
 145-36 vehicle held by the holder of the certified copy.

145-37 (d) A purchaser or lienholder of a motor vehicle having a
 145-38 certified copy issued under this section may at the time of the
 145-39 purchase or establishment of the lien require that the seller or
 145-40 owner indemnify the purchaser or lienholder and all subsequent
 145-41 purchasers of the vehicle against any loss the person may suffer
 145-42 because of a claim presented on the original ~~certificate of~~
 145-43 title.

145-44 (g) The department may issue a certified copy of a
 145-45 ~~certificate of~~ title ~~[before the fourth business day after the~~
 145-46 ~~date application is made]~~ only if the applicant:

145-47 (1) is the registered owner of the vehicle, the holder
 145-48 of a recorded lien against the vehicle, or a verified agent of the
 145-49 owner or lienholder; and

145-50 (2) submits personal identification, including a
 145-51 photograph, issued by an agency of this state or the United States.

145-52 (i) The department may establish acceptable identification
 145-53 requirements for ~~if~~ an applicant for a certified copy of a
 145-54 certificate of title who is not a person ~~[other than a person]~~
 145-55 described by Subsection (g)(1) ~~[, the department may issue a~~
 145-56 ~~certified copy of the certificate of title only by mail]~~.

145-57 SECTION 33.055. Section 501.135(a), Transportation Code,
 145-58 is amended to read as follows:

145-59 (a) The department shall:

145-60 (1) make a record of each report to the department that
 145-61 a motor vehicle registered in this state has been stolen or
 145-62 concealed in violation of Section 32.33, Penal Code; and

145-63 (2) note the fact of the report in the department's
 145-64 records ~~[of the vehicle's certificate of title]~~.

145-65 SECTION 40.056. Sections 501.138(a), (b), and (b-1),
 145-66 Transportation Code, are amended to read as follows:

145-67 (a) An applicant for a ~~certificate of~~ title, other than
 145-68 the state or a political subdivision of the state, must pay ~~[the~~
 145-69 ~~county assessor-collector]~~ a fee of:

146-1 (1) \$33 if the applicant's residence is a county
146-2 located within a nonattainment area as defined under Section 107(d)
146-3 of the federal Clean Air Act (42 U.S.C. Section 7407), as amended,
146-4 or is an affected county, as defined by Section 386.001, Health and
146-5 Safety Code; or

146-6 (2) \$28 if the applicant's residence is any other
146-7 county.

146-8 (b) The fees [~~county assessor-collector~~] shall be
146-9 distributed as follows [~~and~~]:

146-10 (1) \$5 of the fee to the county treasurer for deposit
146-11 in the officers' salary fund;

146-12 (2) \$8 of the fee to the department:

146-13 (A) together with the application within the time
146-14 prescribed by Section 501.023; or

146-15 (B) if the fee is deposited in an
146-16 interest-bearing account or certificate in the county depository or
146-17 invested in an investment authorized by Subchapter A, Chapter 2256,
146-18 Government Code, not later than the 35th day after the date on which
146-19 the fee is received; and

146-20 (3) the following amount to the comptroller at the
146-21 time and in the manner prescribed by the comptroller:

146-22 (A) \$20 of the fee if the applicant's residence
146-23 is a county located within a nonattainment area as defined under
146-24 Section 107(d) of the federal Clean Air Act (42 U.S.C. Section
146-25 7407), as amended, or is an affected county, as defined by Section
146-26 386.001, Health and Safety Code; or

146-27 (B) \$15 of the fee if the applicant's residence
146-28 is any other county.

146-29 (b-1) Fees collected under Subsection (b) to be sent to the
146-30 comptroller shall be deposited [~~as follows~~]:

146-31 [~~(1) before September 1, 2008, to the credit of the~~
146-32 ~~Texas emissions reduction plan fund, and~~

146-33 [~~(2) on or after September 1, 2008,~~] to the credit of
146-34 the Texas Mobility Fund, except that \$5 of each fee imposed under
146-35 Subsection (a)(1) and deposited on or after September 1, 2008, and
146-36 before September 1, 2015, shall be deposited to the credit of the
146-37 Texas emissions reduction plan fund.

146-38 SECTION 33.057. Section 520.031, Transportation Code, as
146-39 amended by Chapters 836 (H.B. 1743) and 1423 (H.B. 2409), Acts of
146-40 the 76th Legislature, Regular Session, 1999, is transferred to
146-41 Subchapter H, Chapter 501, Transportation Code, renumbered as
146-42 Section 501.145, Transportation Code, and reenacted and amended to
146-43 read as follows:

146-44 Sec. 501.145 [~~520.031~~]. FILING BY PURCHASER [~~TRANSFeree~~];
146-45 APPLICATION FOR TRANSFER OF TITLE [~~AND REGISTRATION~~]. (a) Not
146-46 later than the 30th [~~20th working~~] day after the date of assignment
146-47 on [~~receiving~~] the documents [~~under Section 520.022 or 520.0225~~],
146-48 the purchaser [~~transferee~~] of the used motor vehicle shall file
146-49 with the county assessor-collector:

146-50 (1) [~~the license receipt and~~] the certificate of title
146-51 or other evidence of title; or

146-52 (2) if appropriate, a document described by Section
146-53 502.457 [~~520.0225(b)(1) or (2)~~] and the [~~certificate of~~] title or
146-54 other evidence of ownership [~~title~~].

146-55 (b) The filing under Subsection (a) is an application for
146-56 transfer of title as required under this chapter [~~Chapter 501~~] and
146-57 [~~, if the license receipt is filed,~~] an application for transfer of
146-58 the registration of the motor vehicle.

146-59 (c) [~~In this section, "working day" means any day other than~~
146-60 ~~a Saturday, a Sunday, or a holiday on which county offices are~~
146-61 ~~closed.~~

146-62 [~~(d)~~] Notwithstanding Subsection (a), if the purchaser
146-63 [~~transferee~~] is a member of the armed forces of the United States, a
146-64 member of the Texas National Guard or of the National Guard of
146-65 another state serving on active duty under an order of the president
146-66 of the United States, or a member of a reserve component of the
146-67 armed forces of the United States serving on active duty under an
146-68 order of the president of the United States, the documents
146-69 described by Subsection (a) must be filed with the county

147-1 assessor-collector not later than the 60th ~~[working]~~ day after the
 147-2 date of assignment of ownership ~~[their receipt by the transferee]~~.

147-3 SECTION 33.058. Section 520.023, Transportation Code, is
 147-4 transferred to Subchapter H, Chapter 501, Transportation Code,
 147-5 renumbered as Section 501.146, Transportation Code, and amended to
 147-6 read as follows:

147-7 Sec. 501.146 ~~[520.023]~~. ~~[POWERS AND DUTIES OF DEPARTMENT ON~~
 147-8 ~~TRANSFER OF USED]~~ VEHICLE TRANSFER NOTIFICATION. (a) On receipt of
 147-9 a written notice of transfer from the seller ~~[transferor]~~ of a motor
 147-10 vehicle, the department shall indicate the transfer on the motor
 147-11 vehicle records maintained by the department. As an alternative to
 147-12 a written notice of transfer, the department shall establish
 147-13 procedures that permit the seller ~~[transferor]~~ of a motor vehicle
 147-14 to electronically submit a notice of transfer to the department
 147-15 through the department's Internet website. A notice of transfer
 147-16 provided through the department's Internet website is not required
 147-17 to bear the signature of the seller ~~[transferor]~~ or include the date
 147-18 of signing.

147-19 (b) ~~[The department may design the written notice of~~
 147-20 ~~transfer to be part of the certificate of title for the vehicle.]~~
 147-21 The notice of transfer ~~[form]~~ shall be provided by the department
 147-22 and must include a place for the seller ~~[transferor]~~ to state:

147-23 (1) a complete description of the vehicle as
 147-24 prescribed by the department ~~[identification number of the~~
 147-25 ~~vehicle]~~;

147-26 (2) ~~[the number of the license plate issued to the~~
 147-27 ~~vehicle, if any,~~

147-28 ~~[+]~~ the full name and address of the seller
 147-29 ~~[transferor]~~;

147-30 (3) ~~[+]~~ the full name and address of the purchaser
 147-31 ~~[transferee]~~;

147-32 (4) ~~[+]~~ the date the seller ~~[transferor]~~ delivered
 147-33 possession of the vehicle to the purchaser ~~[transferee]~~;

147-34 (5) ~~[+]~~ the signature of the seller ~~[transferor]~~;
 147-35 and

147-36 (6) ~~[+]~~ the date the seller ~~[transferor]~~ signed the
 147-37 form.

147-38 (c) This subsection applies only if the department receives
 147-39 notice under Subsection (a) before the 30th day after the date the
 147-40 seller ~~[transferor]~~ delivered possession of the vehicle to the
 147-41 purchaser ~~[transferee]~~. After the date of the transfer of the
 147-42 vehicle shown on the records of the department, the purchaser
 147-43 ~~[transferee]~~ of the vehicle shown on the records is rebuttably
 147-44 presumed to be:

147-45 (1) the owner of the vehicle; and
 147-46 (2) subject to civil and criminal liability arising
 147-47 out of the use, operation, or abandonment of the vehicle, to the
 147-48 extent that ownership of the vehicle subjects the owner of the
 147-49 vehicle to criminal or civil liability under another provision of
 147-50 law.

147-51 (d) The department may adopt ~~[+]~~
 147-52 ~~[+]~~ rules to implement this section ~~[+ and~~
 147-53 ~~[+]~~ a fee for filing a notice of transfer under this
 147-54 section in an amount not to exceed the lesser of the actual cost to
 147-55 the department of implementing this section or \$5].

147-56 (e) This section does not impose or establish civil or
 147-57 criminal liability on the owner of a motor vehicle who transfers
 147-58 ownership of the vehicle but does not disclose the transfer to the
 147-59 department.

147-60 (f) ~~[This section does not require the department to issue a~~
 147-61 ~~certificate of title to a person shown on a notice of transfer as~~
 147-62 ~~the transferee of a motor vehicle.]~~ The department may not issue a
 147-63 ~~[certificate of]~~ title or register ~~[for]~~ the vehicle until the
 147-64 purchaser ~~[transferee]~~ applies for a title to the county
 147-65 assessor-collector as provided by this chapter ~~[Chapter 501]~~.

147-66 SECTION 33.059. Section 520.032, Transportation Code, is
 147-67 transferred to Subchapter H, Chapter 501, Transportation Code,
 147-68 renumbered as Section 501.147, Transportation Code, and amended to
 147-69 read as follows:

148-1 Sec. 501.147 [~~520.032~~]. TITLE TRANSFER [~~FEE~~]; LATE FEE.
 148-2 (a) [~~The transferee of a used motor vehicle shall pay, in addition~~
 148-3 ~~to any fee required under Chapter 501 for the transfer of title, a~~
 148-4 ~~transfer fee of \$2.50 for the transfer of the registration of the~~
 148-5 ~~motor vehicle.~~

148-6 [~~(b)~~] If the purchaser [~~transferee~~] does not file the
 148-7 application for the transfer of title during the period provided by
 148-8 Section 501.145 [~~520.031~~], the purchaser [~~transferee~~] is liable for
 148-9 a late fee to be paid to the county assessor-collector when the
 148-10 application is filed. If the seller [~~transferee~~] holds a general
 148-11 distinguishing number issued under Chapter 503 of this code or
 148-12 Chapter 2301, Occupations Code, the seller is liable for the late
 148-13 fee in the amount of [~~the late fee is~~] \$10. If the seller
 148-14 [~~transferee~~] does not hold a general distinguishing number, subject
 148-15 to Subsection (b) [~~(b-1)~~] the amount of the late fee is \$25.

148-16 (b) [~~(b-1)~~] If the application is filed after the 60th [~~31st~~
 148-17 ~~working~~] day after the date the purchaser was assigned ownership of
 148-18 [~~transferee received~~] the documents under Section 501.0721
 148-19 [~~520.022~~], the late fee imposed under Subsection (a) [~~(b)~~] accrues
 148-20 an additional penalty in the amount of \$25 for each subsequent
 148-21 30-day period, or portion of a 30-day period, in which the
 148-22 application is not filed.

148-23 (c) The county assessor-collector and the surety on the
 148-24 county assessor-collector's bond are liable for the late fee if the
 148-25 county assessor-collector does not collect the late fee.

148-26 (d) Subsections (a) and (b) [~~and (b-1)~~] do not apply if the
 148-27 motor vehicle is eligible to be issued:

148-28 (1) classic vehicle license plates under Section
 148-29 504.501; or

148-30 (2) antique vehicle license plates under Section
 148-31 504.502.

148-32 SECTION 33.060. Section 520.033, Transportation Code, is
 148-33 transferred to Subchapter H, Chapter 501, Transportation Code,
 148-34 renumbered as Section 501.148, Transportation Code, and amended to
 148-35 read as follows:

148-36 Sec. 501.148 [~~520.033~~]. ALLOCATION OF FEES. (a) The
 148-37 county assessor-collector may retain as commission for services
 148-38 provided under this subchapter [~~half of each transfer fee~~
 148-39 ~~collected,~~] half of each late fee [~~7~~] and half of each additional
 148-40 penalty collected under Section 501.147 [~~520.032~~].

148-41 (b) The county assessor-collector shall report and remit
 148-42 the balance of the fees collected to the department on Monday of
 148-43 each week as other [~~registration~~] fees are required to be reported
 148-44 and remitted.

148-45 (c) Of each late fee collected from a person who does not
 148-46 hold a general distinguishing number by [~~that~~] the department
 148-47 [~~receives~~] under Subsection (b), \$10 may be used only to fund a
 148-48 statewide public awareness campaign designed to inform and educate
 148-49 the public about the provisions of this chapter.

148-50 SECTION 33.061. Section 501.152(b), Transportation Code,
 148-51 is amended to read as follows:

148-52 (b) It is not a violation of this section for the beneficial
 148-53 owner of a vehicle to sell or offer to sell a vehicle without having
 148-54 possession of the certificate of title to the vehicle if the sole
 148-55 reason he or she does not have possession of the certificate of
 148-56 title is that the title is in the possession of a lienholder who has
 148-57 not complied with the terms of Section 501.115(a) [~~of this code~~].

148-58 SECTION 33.062. Section 501.153, Transportation Code, is
 148-59 amended to read as follows:

148-60 Sec. 501.153. APPLICATION FOR TITLE FOR STOLEN OR CONCEALED
 148-61 VEHICLE. A person commits an offense if the person applies for a
 148-62 [~~certificate of~~] title for a motor vehicle that the person knows is
 148-63 stolen or concealed in violation of Section 32.33, Penal Code.

148-64 SECTION 33.063. Section 501.154, Transportation Code, is
 148-65 amended to read as follows:

148-66 Sec. 501.154. ALTERATION OF CERTIFICATE OR RECEIPT. A
 148-67 person commits an offense if the person alters a manufacturer's [~~or~~
 148-68 ~~importer's~~] certificate, a title receipt, or a certificate of
 148-69 title.

149-1 SECTION 33.064. Section 501.155(a), Transportation Code,
149-2 is amended to read as follows:

149-3 (a) A person commits an offense if the person knowingly
149-4 provides false or incorrect information or without legal authority
149-5 signs the name of another person on:

- 149-6 (1) an application for a [~~certificate of~~] title;
149-7 (2) an application for a certified copy of an original
149-8 [~~certificate of~~] title;
149-9 (3) an assignment of title for a motor vehicle;
149-10 (4) a discharge of a lien on a title for a motor
149-11 vehicle; or

149-12 (5) any other document required by the department or
149-13 necessary to the transfer of ownership of a motor vehicle.

149-14 SECTION 33.065. The heading to Section 501.158,
149-15 Transportation Code, is amended to read as follows:

149-16 Sec. 501.158. SEIZURE OF STOLEN VEHICLE OR VEHICLE WITH
149-17 ALTERED VEHICLE IDENTIFICATION [SERIAL] NUMBER.

149-18 SECTION 33.066. Section 520.035, Transportation Code, is
149-19 transferred to Subchapter H, Chapter 501, Transportation Code,
149-20 renumbered as Section 501.161, Transportation Code, and amended to
149-21 read as follows:

149-22 Sec. 501.161 [520.035]. EXECUTION OF TRANSFER DOCUMENTS;
149-23 PENALTY. (a) A person who transfers a motor vehicle in this state
149-24 shall complete [execute] in full and date as of the date of the
149-25 transfer all documents relating to the transfer of registration or
149-26 [~~certificate of~~] title. A person who transfers a vehicle commits an
149-27 offense if the person fails to execute the documents in full.

149-28 (b) A person commits an offense if the person:
149-29 (1) accepts a document described by Subsection (a)
149-30 that does not contain all of the required information; or
149-31 (2) alters or mutilates such a document.

149-32 (c) An offense under this section is a misdemeanor
149-33 punishable by a fine of not less than \$50 and not more than \$200.

149-34 SECTION 33.067. Subchapter H, Chapter 501, Transportation
149-35 Code, is amended by adding Sections 501.162 and 501.163 to read as
149-36 follows:

149-37 Sec. 501.162. MOTOR NUMBER REQUIRED FOR REGISTRATION;
149-38 PENALTY. A person commits an offense if the person violates Section
149-39 501.0331. An offense under this section is a misdemeanor
149-40 punishable by a fine of not less than \$50 and not more than \$100.

149-41 Sec. 501.163. APPLICATION FOR MOTOR NUMBER RECORD; PENALTY.
149-42 A person who fails to comply with Section 501.0332 commits an
149-43 offense. An offense under this section is a misdemeanor punishable
149-44 by a fine of not less than \$10 and not more than \$100.

149-45 SECTION 33.068. Chapter 501, Transportation Code, is
149-46 amended by adding Subchapter I to read as follows:

149-47 SUBCHAPTER I. ELECTRONIC TITLING SYSTEM
149-48 Sec. 501.171. APPLICATION OF SUBCHAPTER. This subchapter
149-49 applies only if the department implements a titling system under
149-50 Section 501.173.

149-51 Sec. 501.172. DEFINITIONS. In this subchapter:
149-52 (1) "Document" means information that is inscribed on
149-53 a tangible medium or that is stored in an electronic or other medium
149-54 and is retrievable in perceivable form.

149-55 (2) "Electronic" means relating to technology having
149-56 electrical, digital, magnetic, wireless, optical, electromagnetic,
149-57 or similar capabilities.

149-58 (3) "Electronic document" means a document that is in
149-59 an electronic form.

149-60 (4) "Electronic signature" means an electronic sound,
149-61 symbol, or process attached to or logically associated with a
149-62 document and executed or adopted by a person with the intent to sign
149-63 the document.

149-64 (5) "Paper document" means a document that is in
149-65 printed form.

149-66 Sec. 501.173. ELECTRONIC TITLING SYSTEM. (a) The
149-67 department by rule may implement an electronic titling system.

149-68 (b) A record of title maintained electronically by the
149-69 department in the titling system is the official record of vehicle

150-1 ownership unless the owner requests that the department issue a
 150-2 printed title.

150-3 Sec. 501.174. VALIDITY OF ELECTRONIC DOCUMENTS. (a) If
 150-4 this chapter requires that a document be an original, be on paper or
 150-5 another tangible medium, or be in writing, the requirement is met by
 150-6 an electronic document that complies with this subchapter.

150-7 (b) If a law requires that a document be signed, the
 150-8 requirement is satisfied by an electronic signature.

150-9 (c) A requirement that a document or a signature associated
 150-10 with a document be notarized, acknowledged, verified, witnessed, or
 150-11 made under oath is satisfied if the electronic signature of the
 150-12 person authorized to perform that act, and all other information
 150-13 required to be included, is attached to or logically associated
 150-14 with the document or signature. A physical or electronic image of a
 150-15 stamp, impression, or seal is not required to accompany an
 150-16 electronic signature.

150-17 Sec. 501.175. RECORDING OF DOCUMENTS. (a) Under the
 150-18 titling system, the department may:

150-19 (1) receive, index, store, archive, and transmit
 150-20 electronic documents;

150-21 (2) provide for access to, and for search and
 150-22 retrieval of, documents and information by electronic means; and

150-23 (3) convert into electronic form:

150-24 (A) paper documents that it accepts for the
 150-25 titling of a motor vehicle; and

150-26 (B) information recorded and documents that were
 150-27 accepted for the titling of a motor vehicle before the titling
 150-28 system was implemented.

150-29 (b) The department shall continue to accept paper documents
 150-30 after the titling system is implemented.

150-31 Sec. 501.176. PAYMENT OF FEES BY ELECTRONIC FUNDS TRANSFER
 150-32 OR CREDIT CARD. (a) The department may accept payment by
 150-33 electronic funds transfer, credit card, or debit card of any title
 150-34 or registration fee that the department is required or authorized
 150-35 to collect under this chapter.

150-36 (b) The department may collect a fee for processing a title
 150-37 or registration payment by electronic funds transfer, credit card,
 150-38 or debit card. The amount of the fee must be reasonably related to
 150-39 the expense incurred by the department in processing the payment by
 150-40 electronic funds transfer, credit card, or debit card and may not be
 150-41 more than five percent of the amount of the registration and titling
 150-42 fee being paid.

150-43 (c) In addition to the fee authorized by Subsection (b), the
 150-44 department may collect from a person making payment by electronic
 150-45 funds transfer, credit card, or debit card an amount equal to the
 150-46 amount of any registration and titling transaction fee charged to
 150-47 the department by a vendor providing services in connection with
 150-48 payments made by electronic funds transfer, credit card, or debit
 150-49 card. The limitation prescribed by Subsection (b) on the amount of
 150-50 a fee does not apply to a fee collected under this subsection.

150-51 (d) Online electronic commerce must be processed in
 150-52 accordance with Chapter 2054, Government Code.

150-53 Sec. 501.177. SERVICE CHARGE. If, for any reason, the
 150-54 payment of a fee under this chapter by electronic funds transfer,
 150-55 credit card, or debit card is not honored by the funding
 150-56 institution, or by the electronic funds transfer, credit card, or
 150-57 debit card company on which the funds are drawn, the department may
 150-58 collect from the person who owes the fee being collected a
 150-59 registration and titling service charge that is for the collection
 150-60 of that original amount and is in addition to the original fee. The
 150-61 amount of the service charge must be reasonably related to the
 150-62 expense incurred by the department in collecting the original
 150-63 amount.

150-64 Sec. 501.178. DISPOSITION OF FEES. All fees collected
 150-65 under this subchapter shall be deposited to the credit of the state
 150-66 highway fund.

150-67 Sec. 501.179. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL
 150-68 AND NATIONAL COMMERCE ACT. This subchapter modifies, limits, and
 150-69 supersedes the federal Electronic Signatures in Global and National

151-1 Commerce Act (15 U.S.C. Section 7001 et seq.) but does not modify,
 151-2 limit, or supersede Section 101(c) of that Act (15 U.S.C. Section
 151-3 7001(c)) or authorize electronic delivery of any of the notices
 151-4 described in Section 103(b) of that Act (15 U.S.C. Section
 151-5 7003(b)).

151-6 SECTION 33.069. Section 502.001, Transportation Code, is
 151-7 amended to read as follows:

151-8 Sec. 502.001. DEFINITIONS. In this chapter:

151-9 (1) "All-terrain vehicle" means a motor vehicle that
 151-10 is:

151-11 (A) equipped with a saddle, bench, or bucket
 151-12 seats for the use of:

151-13 (i) the rider; and

151-14 (ii) a passenger, if the motor vehicle is
 151-15 designed by the manufacturer to transport a passenger;

151-16 (B) designed to propel itself with three or more
 151-17 tires in contact with the ground;

151-18 (C) designed by the manufacturer for off-highway
 151-19 use; and

151-20 (D) not designed by the manufacturer primarily
 151-21 for farming or lawn care.

151-22 (2) "Apportioned license plate" means a license plate
 151-23 issued in lieu of a truck license plate or combination license plate
 151-24 to a motor carrier in this state who proportionally registers a
 151-25 vehicle owned by the carrier in one or more other states.

151-26 (3) "Combination license plate" means a license plate
 151-27 issued for a truck or truck-tractor that is used or intended to be
 151-28 used in combination with a semitrailer that has a gross weight of
 151-29 more than 6,000 pounds.

151-30 (4) "Combined gross weight" means the empty weight of
 151-31 the truck-tractor or commercial motor vehicle combined with the
 151-32 empty weight of the heaviest semitrailer used or to be used in
 151-33 combination with the truck-tractor or commercial motor vehicle plus
 151-34 the heaviest net load to be carried on the combination during the
 151-35 registration year.

151-36 (4-a) "Commercial fleet" has the meaning assigned by
 151-37 Section 501.002.

151-38 (5) "Commercial motor vehicle" means a commercial
 151-39 motor vehicle as defined by Section 644.001 [~~other than a~~
 151-40 ~~motorcycle, designed or used primarily to transport property. The~~
 151-41 ~~term includes a passenger car reconstructed and used primarily for~~
 151-42 ~~delivery purposes. The term does not include a passenger car used~~
 151-43 ~~to deliver the United States mail].~~

151-44 (6) "Construction machinery" means a vehicle that:

151-45 (A) is used for construction;

151-46 (B) is built from the ground up;

151-47 (C) is not mounted or affixed to another vehicle
 151-48 such as a trailer;

151-49 (D) was originally and permanently designed as
 151-50 machinery;

151-51 (E) was not in any way originally designed to
 151-52 transport persons or property; and

151-53 (F) does not carry a load, including fuel.

151-54 (7) "Credit card" has the meaning assigned by Section
 151-55 501.002.

151-56 (8) "Debit card" has the meaning assigned by Section
 151-57 501.002.

151-58 (9) [~~3~~] "Department" means the Texas Department of
 151-59 Transportation.

151-60 (10) "Electric bicycle" has the meaning assigned by
 151-61 Section 541.201.

151-62 (11) "Electric personal assistive mobility device"
 151-63 has the meaning assigned by Section 551.201.

151-64 (12) "Empty weight" means the unladen weight of the
 151-65 truck-tractor or commercial motor vehicle and semitrailer
 151-66 combination fully equipped, as certified by a public weigher or
 151-67 license and weight inspector of the Department of Public Safety.

151-68 (13) [~~4~~] "Farm trailer" or "farm semitrailer" means
 151-69 a vehicle [~~semitrailer~~] designed and used primarily as a farm

152-1 vehicle.

152-2 (14) [(5)] "Farm tractor" has the meaning assigned by
 152-3 Section 541.201 [means a motor vehicle designed and used primarily
 152-4 as a farm implement for drawing other implements of husbandry].

152-5 (15) "Forestry vehicle" [(6) "Farm trailer"] means a
 152-6 vehicle [trailer designed and] used exclusively for transporting
 152-7 forest products in their natural state, including logs, debarked
 152-8 logs, untreated ties, stave bolts, plywood bolts, pulpwood billets,
 152-9 wood chips, stumps, sawdust, moss, bark, and wood shavings, and
 152-10 property used in production of those products [primarily as a farm
 152-11 vehicle].

152-12 (16) [(7)] "Golf cart" means a motor vehicle designed
 152-13 by the manufacturer primarily for transporting persons on a golf
 152-14 course.

152-15 (17) "Gross vehicle weight" has the meaning assigned
 152-16 by Section 541.401.

152-17 (18) [(8)] "Implements of husbandry" has the meaning
 152-18 assigned by Section 541.201 [means farm implements, machinery, and
 152-19 tools as used in tilling the soil, including self-propelled
 152-20 machinery specifically designed or adapted for applying plant food
 152-21 materials or agricultural chemicals but not specifically designed
 152-22 or adapted for the sole purpose of transporting the materials or
 152-23 chemicals. The term does not include a passenger car or truck].

152-24 (19) [(9)] "Light truck" has the meaning assigned by
 152-25 Section 541.201 [means a commercial motor vehicle that has a
 152-26 manufacturer's rated carrying capacity of one ton or less].

152-27 (20) [(10)] "Moped" has the meaning assigned by
 152-28 Section 541.201.

152-29 (21) [(11)] "Motor bus" includes every vehicle used to
 152-30 transport persons on the public highways for compensation, other
 152-31 than:

152-32 (A) a vehicle operated by muscular power; or

152-33 (B) a municipal bus.

152-34 (22) [(12)] "Motorcycle" has the meaning assigned by
 152-35 Section 541.201 [means a motor vehicle designed to propel itself
 152-36 with not more than three wheels in contact with the ground. The
 152-37 term does not include a tractor].

152-38 (23) [(13)] "Motor vehicle" means a vehicle that is
 152-39 self-propelled.

152-40 (24) "Motorized mobility device" has the meaning
 152-41 assigned by Section 542.009.

152-42 (25) [(14)] "Municipal bus" includes every vehicle,
 152-43 other than a passenger car, used to transport persons for
 152-44 compensation exclusively within the limits of a municipality or a
 152-45 suburban addition to the municipality.

152-46 (26) "Net carrying capacity" is the heaviest net load
 152-47 to be carried on the vehicle, but not less than the manufacturer's
 152-48 rated carrying capacity.

152-49 (27) "Oil well servicing, cleanout, or drilling
 152-50 machinery":

152-51 (A) has the meaning assigned by Section 623.149;
 152-52 or

152-53 (B) means:

152-54 (i) a mobile crane that is an unladen,
 152-55 self-propelled vehicle constructed as a machine and used solely to
 152-56 raise, shift, or lower heavy weights by means of a projecting,
 152-57 swinging mast with an engine for power on a chassis permanently
 152-58 constructed or assembled for such purpose; and

152-59 (ii) for which the owner has secured a
 152-60 permit from the department under Section 623.142.

152-61 (28) [(15)] "Operate temporarily on the highways"
 152-62 means to travel between:

152-63 (A) different farms;

152-64 (B) a place of supply or storage and a farm; or

152-65 (C) an owner's farm and the place at which the
 152-66 owner's farm produce is prepared for market or is marketed.

152-67 (29) [(16)] "Owner" means a person who:

152-68 (A) holds the legal title of a vehicle;

152-69 (B) has the legal right of possession of a

- 153-1 vehicle; or
- 153-2 (C) has the legal right of control of a vehicle.
- 153-3 (30) [~~17~~] "Passenger car" has the meaning assigned
- 153-4 by Section 541.201 [means a motor vehicle, other than a motorcycle,
- 153-5 golf cart, light truck, or bus, designed or used primarily for the
- 153-6 transportation of persons].
- 153-7 (31) "Power sweeper" means an implement, with or
- 153-8 without motive power, designed for the removal by a broom, vacuum,
- 153-9 or regenerative air system of debris, dirt, gravel, litter, or sand
- 153-10 from asphaltic concrete or cement concrete surfaces, including
- 153-11 surfaces of parking lots, roads, streets, highways, and warehouse
- 153-12 floors. The term includes a vehicle on which the implement is
- 153-13 permanently mounted if the vehicle is used only as a power sweeper.
- 153-14 (32) "Private bus" means a bus that:
- 153-15 (A) is not operated for hire; and
- 153-16 (B) is not classified as a municipal bus or a
- 153-17 motor bus.
- 153-18 (33) [~~18~~] "Public highway" includes a road, street,
- 153-19 way, thoroughfare, or bridge:
- 153-20 (A) that is in this state;
- 153-21 (B) that is for the use of vehicles;
- 153-22 (C) that is not privately owned or controlled;
- 153-23 and
- 153-24 (D) over which the state has legislative
- 153-25 jurisdiction under its police power.
- 153-26 (34) [~~19~~] "Public property" means property owned or
- 153-27 leased by this state or a political subdivision of this state.
- 153-28 (35) [~~20~~] "Road tractor" means a vehicle designed
- 153-29 for the purpose of mowing the right-of-way of a public highway or a
- 153-30 motor vehicle designed or used for drawing another vehicle or a load
- 153-31 and not constructed to carry:
- 153-32 (A) an independent load; or
- 153-33 (B) a part of the weight of the vehicle and load
- 153-34 to be drawn.
- 153-35 (36) [~~21~~] "Semitrailer" means a vehicle designed or
- 153-36 used with a motor vehicle so that part of the weight of the vehicle
- 153-37 and its load rests on or is carried by another vehicle.
- 153-38 (37) "Token trailer" means a semitrailer that:
- 153-39 (A) has a gross weight of more than 6,000 pounds;
- 153-40 and
- 153-41 (B) is operated in combination with a truck or a
- 153-42 truck-tractor that has been issued:
- 153-43 (i) an apportioned license plate;
- 153-44 (ii) a combination license plate; or
- 153-45 (iii) a forestry vehicle license plate.
- 153-46 (38) "Tow truck" means a motor vehicle adapted or used
- 153-47 to tow, winch, or otherwise move another motor vehicle.
- 153-48 (39) [~~22~~] "Trailer" means a vehicle that:
- 153-49 (A) is designed or used to carry a load wholly on
- 153-50 its own structure; and
- 153-51 (B) is drawn or designed to be drawn by a motor
- 153-52 vehicle.
- 153-53 (40) "Travel trailer" has the meaning assigned by
- 153-54 Section 501.002.
- 153-55 (41) [~~23~~] "Truck-tractor" means a motor vehicle:
- 153-56 (A) designed and used primarily for drawing
- 153-57 another vehicle; and
- 153-58 (B) not constructed to carry a load other than a
- 153-59 part of the weight of the vehicle and load to be drawn.
- 153-60 (42) [~~24~~] "Vehicle" means a device in or by which a
- 153-61 person or property is or may be transported or drawn on a public
- 153-62 highway, other than a device used exclusively on stationary rails
- 153-63 or tracks.
- 153-64 SECTION 33.070. Section 502.0021, Transportation Code, is
- 153-65 amended to read as follows:
- 153-66 Sec. 502.0021. RULES AND FORMS. (a) The department may
- 153-67 adopt rules to administer this chapter.
- 153-68 (b) The department shall post on the Internet or [+
- 153-69 [~~1~~] prescribe forms determined by the department to

154-1 ~~be necessary for the administration of this chapter, and~~
 154-2 [42] provide each county assessor-collector with a
 154-3 sufficient ~~[an adequate]~~ supply of any ~~[each form]~~ necessary forms
 154-4 ~~[for the performance of a duty under this chapter by the~~
 154-5 ~~assessor-collector].~~

154-6 SECTION 33.071. Section 502.052, Transportation Code, is
 154-7 transferred to Subchapter A, Chapter 502, Transportation Code,
 154-8 renumbered as Section 502.00211, Transportation Code, and amended
 154-9 to read as follows:

154-10 Sec. 502.00211 ~~[502.052]~~. DESIGN OF ~~[LICENSE PLATES AND]~~
 154-11 REGISTRATION INSIGNIA ~~[, REFLECTORIZED MATERIAL]~~. ~~[(a)]~~ The
 154-12 department shall prepare the designs and specifications ~~[of license~~
 154-13 ~~plates and devices selected by the Texas Transportation Commission]~~
 154-14 to be used as the registration insignia.

154-15 ~~[(b) The department shall design each license plate to~~
 154-16 ~~include a design at least one-half inch wide that represents in~~
 154-17 ~~silhouette the shape of Texas and that appears between letters and~~
 154-18 ~~numerals. The department may omit the silhouette of Texas from~~
 154-19 ~~specially designed license plates.~~

154-20 ~~[(c) To promote highway safety, each license plate shall be~~
 154-21 ~~made with a reflectORIZED material that provides effective and~~
 154-22 ~~dependable brightness for the period for which the plate is issued.~~
 154-23 ~~The purchase of reflectORIZED material shall be submitted to the~~
 154-24 ~~comptroller for approval.]~~

154-25 SECTION 33.072. Section 502.0022, Transportation Code, is
 154-26 amended to read as follows:

154-27 Sec. 502.0022. CONSOLIDATED REGISTRATION OF ~~[FLEET]~~
 154-28 VEHICLES. (a) The department shall develop and implement a system
 154-29 of registration so that an owner of more than one motor vehicle or
 154-30 trailer that is subject to registration under this chapter ~~[a fleet~~
 154-31 ~~of motor vehicles]~~ may consolidate the registration of the motor
 154-32 vehicles ~~[in the fleet]~~ as an alternative to the separate
 154-33 registration of each motor vehicle ~~[in the fleet]~~. The owner may
 154-34 designate an initial or a renewal registration period for a vehicle
 154-35 or trailer so that the registration period expires on the same date
 154-36 as the registration period for another vehicle or trailer
 154-37 previously registered by that owner.

154-38 (b) A system of consolidated registration under this
 154-39 section must allow the owner of the ~~[a fleet of]~~ motor vehicles to
 154-40 register:

154-41 (1) all ~~[an entire fleet of]~~ motor vehicles in the
 154-42 county of the owner's residence or principal place of business; or
 154-43 (2) ~~[those vehicles in a fleet of]~~ vehicles that are
 154-44 operated most regularly in the same county by registering the
 154-45 vehicles in that county.

154-46 (c) With the consent of the ~~[The]~~ department, the
 154-47 registration shall be issued in accordance with Section 502.044 ~~[by~~
 154-48 ~~rule shall define "fleet" for purposes of this section.~~

154-49 ~~[(d) The department may adopt rules to administer this~~
 154-50 ~~section].~~

154-51 SECTION 33.073. (a) Subchapter A, Chapter 502,
 154-52 Transportation Code, is amended by adding Section 502.0023 to read
 154-53 as follows:

154-54 Sec. 502.0023. EXTENDED REGISTRATION OF COMMERCIAL FLEET
 154-55 VEHICLES. (a) The department shall develop and implement a system
 154-56 of registration to allow an owner of a commercial fleet to register
 154-57 the motor vehicles in the commercial fleet for an extended
 154-58 registration period of not less than one year or more than eight
 154-59 years. The owner may select the number of years for registration
 154-60 under this section within that range and register the commercial
 154-61 fleet for that period. Payment for the entire registration period
 154-62 selected is due at the time of registration.

154-63 (b) In addition to the registration fees prescribed by
 154-64 Subchapter D, an owner registering a commercial fleet under this
 154-65 section shall pay:

154-66 (1) an annual commercial fleet registration fee of \$10
 154-67 per motor vehicle; and

154-68 (2) a one-time license plate manufacturing fee of
 154-69 \$1.50 for each issued motor vehicle license plate.

155-1 (c) A license plate issued under this section may, at the
 155-2 registered owner's option, include on the legend the name or logo of
 155-3 the business entity that owns the vehicle. The license plates shall
 155-4 conform in all respects to the provisions of this chapter, except as
 155-5 specified in this section.

155-6 (d) For a commercial fleet registered under this section,
 155-7 payment of all registration license taxes and fees under this
 155-8 chapter must be paid in advance for the extended registration
 155-9 period selected under Subsection (a). On payment of all
 155-10 registration license taxes and fees, no annual validation window
 155-11 insignia is required for the entire period paid for in advance. A
 155-12 registration card must be issued for the period elected only for
 155-13 vehicles that exceed 10,000 pounds in weight.

155-14 (e) Failure to comply with this section may result in
 155-15 suspension or termination from the commercial fleet program.

155-16 (f) The department shall adopt rules to implement this
 155-17 section.

155-18 (g) The department and the counties in their budgeting
 155-19 processes shall consider any temporary increases and resulting
 155-20 decreases in revenue that will result from the use of the process
 155-21 provided by this section.

155-22 (b) The Texas Department of Transportation shall adopt the
 155-23 rules and establish the system required under Section 502.0023,
 155-24 Transportation Code, as added by this section, not later than
 155-25 September 1, 2010.

155-26 (c) This section takes effect September 1, 2009.

155-27 SECTION 33.074. Section 502.185, Transportation Code, is
 155-28 transferred to Subchapter A, Chapter 502, Transportation Code,
 155-29 renumbered as Section 502.010, Transportation Code, and amended to
 155-30 read as follows:

155-31 Sec. 502.010 [502.185]. COUNTY SCOFFLAW [REFUSAL TO
 155-32 REGISTER VEHICLE IN CERTAIN COUNTIES]. (a) A county
 155-33 assessor-collector or the department may refuse to register a motor
 155-34 vehicle if the assessor-collector or the department receives
 155-35 information that the owner of the vehicle owes the county money for
 155-36 a fine, fee, or tax that is past due.

155-37 (b) A county may contract with the department to provide
 155-38 information to the department necessary to make a determination
 155-39 under Subsection (a).

155-40 (c) A county that has a contract under Subsection (b) shall
 155-41 notify the department regarding a person for whom the county
 155-42 assessor-collector or the department has refused to register a
 155-43 motor vehicle on:

155-44 (1) the person's payment or other means of discharge of
 155-45 the past due fine, fee, or tax; or

155-46 (2) perfection of an appeal of the case contesting
 155-47 payment of the fine, fee, or tax.

155-48 (d) After notice is received under Subsection (c), the
 155-49 county assessor-collector or the department may not refuse to
 155-50 register the motor vehicle under Subsection (a).

155-51 (e) A contract under Subsection (b) must be entered into in
 155-52 accordance with Chapter 791, Government Code, and is subject to the
 155-53 ability of the parties to provide or pay for the services required
 155-54 under the contract.

155-55 (f) A county that has a contract under Subsection (b) may
 155-56 impose an additional fee to a person paying a fine, fee, or tax to
 155-57 the county after it is past due. The additional fee may be used only
 155-58 to reimburse the department or the county for its expenses for
 155-59 providing services under the contract.

155-60 (g) In this section:

155-61 (1) a fine, fee, or tax is considered past due if it is
 155-62 unpaid 90 or more days after the date it is due; and

155-63 (2) registration of a motor vehicle includes renewal
 155-64 of the registration of the vehicle.

155-65 (h) This section does not apply to the registration of a
 155-66 motor vehicle under Section 501.0234, unless the vehicle is titled
 155-67 and registered in the name of a person who holds a general
 155-68 distinguishing number.

155-69 SECTION 33.075. The heading to Subchapter B, Chapter 502,

156-1 Transportation Code, is amended to read as follows:

156-2 SUBCHAPTER B. REGISTRATION REQUIREMENTS [~~STATE ADMINISTRATION~~]

156-3 SECTION 33.076. Section 502.002, Transportation Code, is
156-4 transferred to Subchapter B, Chapter 502, Transportation Code,
156-5 renumbered as Section 502.040, Transportation Code, and amended to
156-6 read as follows:

156-7 Sec. 502.040 [~~502.002~~]. REGISTRATION REQUIRED; GENERAL
156-8 RULE. (a) The owner of a motor vehicle, trailer, or semitrailer
156-9 shall apply for the registration of the vehicle for:

156-10 (1) each registration year in which the vehicle is
156-11 used or to be used on a public highway; and

156-12 (2) if the vehicle is unregistered for a registration
156-13 year that has begun and that applies to the vehicle and if the
156-14 vehicle is used or to be used on a public highway, the remaining
156-15 portion of that registration year.

156-16 (b) The application must be made in a manner prescribed by
156-17 [~~the~~] the department through the county assessor-collector of the
156-18 county in which the owner resides.

156-19 (c) A provision of this chapter that conflicts with this
156-20 section prevails over this section to the extent of the conflict.

156-21 (d) A county assessor-collector, a deputy county
156-22 assessor-collector, or a person acting on behalf of a county
156-23 assessor-collector is not liable to any person for:

156-24 (1) refusing to register a motor vehicle because of
156-25 the person's failure to submit evidence of residency that complies
156-26 with the department's rules; or

156-27 (2) registering a motor vehicle under this section.

156-28 SECTION 33.077. Section 502.157, Transportation Code, is
156-29 transferred to Subchapter B, Chapter 502, Transportation Code,
156-30 renumbered as Section 502.041, Transportation Code, and amended to
156-31 read as follows:

156-32 Sec. 502.041 [~~502.157~~]. INITIAL REGISTRATION. (a)
156-33 Notwithstanding Section 502.040 [~~502.002~~], [~~when a motor vehicle~~
156-34 ~~must be registered before an application for a certificate of title~~
156-35 ~~will be accepted,~~] the owner of a [~~the~~] vehicle may concurrently
156-36 apply for a [~~certificate of~~] title and for registration through the
156-37 county assessor-collector of the county in which:

156-38 (1) the owner resides; or

156-39 (2) the vehicle is purchased or encumbered.

156-40 (b) The first time an owner applies for registration of a
156-41 vehicle, the owner may demonstrate compliance with Section
156-42 502.046(a) [~~502.153(a)~~] as to the vehicle by showing proof of
156-43 financial responsibility in any manner specified in Section
156-44 502.046(c) [~~502.153(c)~~] as to:

156-45 (1) any vehicle of the owner; or

156-46 (2) any vehicle used as part of the consideration for
156-47 the purchase of the vehicle the owner applies to register.

156-48 SECTION 33.078. Section 502.152, Transportation Code, is
156-49 transferred to Subchapter B, Chapter 502, Transportation Code,
156-50 renumbered as Section 502.042, Transportation Code, and amended to
156-51 read as follows:

156-52 Sec. 502.042 [~~502.152~~]. [~~CERTIFICATE OF~~] TITLE REQUIRED
156-53 FOR REGISTRATION. [~~(a)~~] The department may not register or renew
156-54 the registration of a motor vehicle for which a [~~certificate of~~]
156-55 title is required under Chapter 501 unless the owner:

156-56 (1) obtains a [~~certificate of~~] title for the vehicle;
156-57 or

156-58 (2) presents satisfactory evidence that a
156-59 [~~certificate of~~] title was previously issued to the owner by the
156-60 department or another jurisdiction.

156-61 [~~(b) This section does not apply to an automobile that was~~
156-62 ~~purchased new before January 1, 1936.~~]

156-63 SECTION 33.079. Section 502.151, Transportation Code, is
156-64 transferred to Subchapter B, Chapter 502, Transportation Code,
156-65 renumbered as Section 502.043, Transportation Code, and amended to
156-66 read as follows:

156-67 Sec. 502.043 [~~502.151~~]. APPLICATION FOR REGISTRATION.

156-68 (a) An application for vehicle registration must:

156-69 (1) be made in a manner prescribed and include the

157-1 information required [on a form furnished] by the department by
 157-2 rule; and

157-3 (2) contain a [the] full description [name and address
 157-4 of the owner] of the vehicle as required by department rule [,
 157-5 [(3) contain a brief description of the vehicle,
 157-6 [(4) contain any other information required by the
 157-7 department, and
 157-8 [(5) be signed by the owner].

157-9 (b) [For a new motor vehicle, the description of the vehicle
 157-10 must include the vehicle's:

157-11 [(1) trade name,
 157-12 [(2) year model,
 157-13 [(3) style and type of body,
 157-14 [(4) weight, if the vehicle is a passenger car,
 157-15 [(5) net carrying capacity and gross weight, if the
 157-16 vehicle is a commercial motor vehicle,
 157-17 [(6) vehicle identification number, and
 157-18 [(7) date of sale by the manufacturer or dealer to the
 157-19 applicant.

157-20 [(c)] An applicant for registration of a commercial motor
 157-21 vehicle, truck-tractor, trailer, or semitrailer must show
 157-22 acceptable proof [deliver] to the county assessor-collector of [an
 157-23 affidavit showing] the weight of the vehicle, the maximum load to be
 157-24 carried on the vehicle, and the gross weight for which the vehicle
 157-25 is to be registered. [The assessor-collector shall keep the
 157-26 affidavit on file.]

157-27 (c) [(d)] In lieu of filing an application during a year as
 157-28 provided by Subsection (a), the owner of a vehicle registered in any
 157-29 state for that year or the preceding year may present the
 157-30 registration receipt and transfer receipt, if any. The county
 157-31 assessor-collector shall accept the receipt as an application for
 157-32 renewal of the registration if the receipt indicates the applicant
 157-33 owns the vehicle. This section allows issuance for registration
 157-34 purposes only but does not authorize the department to issue a
 157-35 certificate of title or record of title.

157-36 [(e)] If an owner or claimed owner has lost or misplaced the
 157-37 registration receipt or transfer receipt for the vehicle, the
 157-38 county assessor-collector shall register the vehicle on the
 157-39 person's furnishing to the assessor-collector satisfactory
 157-40 evidence, by affidavit or otherwise, that the person owns the
 157-41 vehicle.

157-42 [(f)] A county assessor-collector shall date each
 157-43 registration receipt issued for a vehicle with the date on which the
 157-44 application for registration is made.]

157-45 SECTION 33.080. Section 502.158, Transportation Code, is
 157-46 transferred to Subchapter B, Chapter 502, Transportation Code,
 157-47 renumbered as Section 502.044, Transportation Code, and amended to
 157-48 read as follows:

157-49 Sec. 502.044 [502.158]. REGISTRATION PERIOD [YEAR]. (a)
 157-50 The department shall designate a vehicle registration year of 12
 157-51 consecutive months to begin on the first day of a calendar month and
 157-52 end on the last day of the 12th calendar month.

157-53 (b) The department shall designate vehicle registration
 157-54 years so as to distribute the work of the department and the county
 157-55 assessor-collectors as uniformly as possible throughout the year.
 157-56 The department may establish separate registration years for any
 157-57 vehicle or classification of vehicle and may adopt rules to
 157-58 administer the year-round registration system.

157-59 (c) The department may designate a registration period of
 157-60 less than 12 months to be [The registration fee for a
 157-61 registration period of less than 12 months is] computed at a rate of
 157-62 one-twelfth the annual registration fee multiplied by the number of
 157-63 months in the registration period. The department, by rule, may
 157-64 allow payment of [may not designate a registration period of more
 157-65 than 12 months, but,

157-66 [(1) with the consent of the department, an owner may
 157-67 pay] registration fees for a designated period not to exceed 96 [of
 157-68 more than 12] months [and

157-69 [(2) an owner of a vehicle may pay registration fees

158-1 ~~for a designated period of 12, 24, or 36 months.~~

158-2 ~~[(d) An application for registration shall be made during~~
158-3 ~~the two months preceding the date on which the registration~~
158-4 ~~expires.~~

158-5 ~~[(e) The fee to be paid for renewing a registration is the~~
158-6 ~~fee that will be in effect on the first day of the vehicle~~
158-7 ~~registration year].~~

158-8 ~~(d) [(g)] The department shall issue [the applicant for~~
158-9 ~~registration who pays registration fees for a designated period of~~
158-10 ~~24 or 36 months] a registration receipt and registration insignia~~
158-11 ~~that are valid until the expiration of the designated period.~~

158-12 SECTION 23.081. Section 502.176, Transportation Code, is
158-13 transferred to Subchapter B, Chapter 502, Transportation Code,
158-14 renumbered as Section 502.045, Transportation Code, and amended to
158-15 read as follows:

158-16 Sec. 502.045 [502.176]. DELINQUENT REGISTRATION. (a) A
158-17 registration fee ~~[prescribed by this chapter]~~ for a vehicle becomes
158-18 delinquent immediately if the vehicle is used on a public highway
158-19 without the fee having been paid in accordance with this chapter.

158-20 (b) ~~An [A county assessor-collector that determines that~~
158-21 ~~an] applicant for registration who provides [for which payment of~~
158-22 ~~the registration fee is delinquent has provided] evidence~~
158-23 ~~acceptable to the assessor-collector [sufficient] to establish~~
158-24 ~~good reason for delinquent registration and who [that the~~
158-25 ~~application] complies with the other requirements for registration~~
158-26 ~~under this chapter may [shall] register the vehicle for a 12-month~~
158-27 ~~period that ends on the last day of the 11th month after the month in~~
158-28 ~~which the registration occurs under this subsection. The~~
158-29 ~~registration period for vehicles registered in accordance with~~
158-30 ~~Sections 502.255, 502.431, 502.435, 502.454, 504.401, 504.505,~~
158-31 ~~504.515, and 504.613 [502.164, 502.167, 502.203, 502.255, 502.267,~~
158-32 ~~502.277, 502.278, 502.293, as added by Chapter 1222, Acts of the~~
158-33 ~~75th Legislature, Regular Session, 1997, and 502.295, as added by~~
158-34 ~~Chapter 625, Acts of the 75th Legislature, Regular Session, 1997,]~~
158-35 ~~will end on the annual registration date, and the registration fees~~
158-36 ~~will be prorated.~~

158-37 (c) A county assessor-collector that determines that an
158-38 applicant for registration who ~~[that]~~ is delinquent and has not
158-39 provided evidence acceptable ~~[to the assessor-collector~~
158-40 ~~sufficient]~~ to establish good reason for delinquent registration
158-41 but who ~~[that the application]~~ complies with the other requirements
158-42 for registration under this chapter shall register the vehicle for
158-43 a 12-month period without changing the initial month of
158-44 registration.

158-45 (d) A person who has been arrested or received a citation
158-46 for a violation of Section 502.472 [502.402] may register the
158-47 vehicle being operated at the time of the offense ~~[with the county~~
158-48 ~~assessor-collector]~~ for a 12-month period without change to the
158-49 initial month of registration only if the person:

158-50 (1) meets the other requirements for registration
158-51 under this chapter; and

158-52 (2) pays an additional charge equal to 20 percent of
158-53 the prescribed fee.

158-54 (e) The ~~department by rule [county assessor-collector]~~
158-55 ~~shall adopt a list of evidentiary items sufficient to establish~~
158-56 ~~good reason for delinquent registration under Subsection (b) and~~
158-57 ~~provide for the [forms of] evidence that may be used to establish~~
158-58 ~~good reason under that subsection. [The list of evidentiary items~~
158-59 ~~adopted under this section must allow for delinquent registration~~
158-60 ~~under Subsection (b) because of:~~

158-61 ~~[(1) extensive repairs on the vehicle,~~
158-62 ~~(2) the absence of the owner of the vehicle from this~~
158-63 ~~country,~~

158-64 ~~[(3) seasonal use of the vehicle, or~~
158-65 ~~(4) any other reason determined by the~~
158-66 ~~assessor-collector to be a valid explanation for the delinquent~~
158-67 ~~registration.]~~

158-68 (f) The department by rule shall adopt procedures to
158-69 implement this section in connection with the delinquent

159-1 registration of a vehicle registered directly with the department.
 159-2 SECTION 33.082. Section 502.153, Transportation Code, is
 159-3 transferred to Subchapter B, Chapter 502, Transportation Code,
 159-4 renumbered as Section 502.046, Transportation Code, and amended to
 159-5 read as follows:

159-6 Sec. 502.046 [~~502.153~~]. EVIDENCE OF FINANCIAL
 159-7 RESPONSIBILITY. (a) Evidence [~~Except as provided by Subsection~~
 159-8 (~~j~~), ~~the owner of a motor vehicle, other than a trailer or~~
 159-9 ~~semitrailer, for which evidence~~] of financial responsibility as
 159-10 [~~is~~] required by Section 601.051 other than for a trailer or
 159-11 semitrailer [~~or a person who represents the owner for purposes of~~
 159-12 ~~registering a motor vehicle~~] shall be submitted [~~submit evidence of~~
 159-13 ~~financial responsibility~~] with the application for registration
 159-14 under Section 502.043 [~~502.151~~]. A county assessor-collector may
 159-15 not register the motor vehicle unless the owner or the owner's
 159-16 representative submits the evidence of financial responsibility.

159-17 (b) The county assessor-collector shall examine the
 159-18 evidence of financial responsibility to determine whether it
 159-19 complies with Subsection (c). After examination, [~~examining~~] the
 159-20 evidence [~~, the assessor-collector~~] shall be returned [~~return the~~
 159-21 ~~evidence~~] unless it is in the form of a photocopy or an electronic
 159-22 submission.

159-23 (c) In this section, evidence of financial responsibility
 159-24 may be:

159-25 (1) a document listed under Section 601.053(a) or
 159-26 verified in compliance with Section 601.452, as added by Chapter
 159-27 892, Acts of the 79th Legislature, Regular Session, 2005;

159-28 (2) a liability self-insurance or pool coverage
 159-29 document issued by a political subdivision or governmental pool
 159-30 under the authority of Chapter 791, Government Code, Chapter 119,
 159-31 Local Government Code, or other applicable law in at least the
 159-32 minimum amounts required by Chapter 601;

159-33 (3) a photocopy of a document described by Subdivision
 159-34 (1) or (2); or

159-35 (4) an electronic submission of a document or the
 159-36 information contained in a document described by Subdivision (1) or
 159-37 (2).

159-38 (d) A personal automobile policy used as evidence of
 159-39 financial responsibility under this section must comply with
 159-40 Section 1952.052 et seq. and Sections 2301.051 through 2301.055
 159-41 [~~Article 5.06 or 5.145~~], Insurance Code.

159-42 (e) At the time of registration, the county
 159-43 assessor-collector shall provide to a person registering a motor
 159-44 vehicle a [~~separate~~] statement that the motor vehicle [~~being~~
 159-45 ~~registered~~] may not be operated in this state unless:

159-46 (1) liability insurance coverage for the motor vehicle
 159-47 in at least the minimum amounts required by law remains in effect to
 159-48 insure against potential losses; or

159-49 (2) the motor vehicle is exempt from the insurance
 159-50 requirement because the person has established financial
 159-51 responsibility in a manner described by Sections [~~Section~~]
 159-52 601.051(2)-(5) or is exempt under Section 601.052.

159-53 (f) A county assessor-collector is not liable to any person
 159-54 for refusing to register a motor vehicle to which this section
 159-55 applies because of the person's failure to submit evidence of
 159-56 financial responsibility that complies with Subsection (c).

159-57 (g) A county, a county assessor-collector, a deputy county
 159-58 assessor-collector, a person acting for or on behalf of a county or
 159-59 a county assessor-collector, or a person acting on behalf of an
 159-60 owner for purposes of registering a motor vehicle is not liable to
 159-61 any person for registering a motor vehicle under this section.

159-62 (h) This section does not prevent a person from registering
 159-63 a motor vehicle by mail or through an electronic submission.

159-64 (i) To be valid under this section, an electronic submission
 159-65 must be in a format that is:

159-66 (1) submitted by electronic means, including a
 159-67 telephone, facsimile machine, or computer;

159-68 (2) approved by the department; and

159-69 (3) authorized by the commissioners court for use in

160-1 the county.

160-2 (j) This section does not apply to a vehicle registered
160-3 pursuant to Section 501.0234.

160-4 SECTION 33.083. Section 502.009, Transportation Code, is
160-5 transferred to Subchapter B, Chapter 502, Transportation Code,
160-6 renumbered as Section 502.047, Transportation Code, and amended to
160-7 read as follows:

160-8 Sec. 502.047 [~~502.009~~]. MOTOR VEHICLE EMISSIONS
160-9 INSPECTION AND MAINTENANCE REQUIREMENTS. (a) The Department of
160-10 Public Safety shall ensure compliance with the motor vehicle
160-11 emissions inspection and maintenance program through a vehicle
160-12 inspection sticker-based enforcement system except as provided by
160-13 this section or Section 548.3011. Subsections (b)-(e) apply only
160-14 if the United States Environmental Protection Agency determines
160-15 that the state has not demonstrated, as required by 40 C.F.R.
160-16 Section 51.361, that sticker-based enforcement of the program is
160-17 more effective than registration-based enforcement and gives the
160-18 Texas [~~Natural Resource Conservation~~] Commission on Environmental
160-19 Quality or the governor written notification that the
160-20 reregistration-based enforcement of the program, as described by
160-21 those subsections, will be required. If Subsections (b)-(e) are
160-22 made applicable as provided by this subsection, the department
160-23 shall terminate reregistration-based enforcement of the program
160-24 under those subsections on the date the United States Environmental
160-25 Protection Agency gives the Texas [~~Natural Resource Conservation~~]
160-26 Commission on Environmental Quality or a person the commission
160-27 designates written notification that reregistration-based
160-28 enforcement is not required for the state implementation plan.

160-29 (b) A [~~The department may not register a~~] motor vehicle may
160-30 not be registered if the department receives from the Texas
160-31 [~~Natural Resource Conservation~~] Commission on Environmental
160-32 Quality or the Department of Public Safety notification that the
160-33 registered owner of the vehicle has not complied with Subchapter F,
160-34 Chapter 548.

160-35 (c) A motor vehicle [~~The county tax assessor-collector~~] may
160-36 not be registered if the [~~register a~~] vehicle was denied
160-37 registration under Subsection (b) unless [~~the tax~~
160-38 ~~assessor-collector has~~] verification is received that the
160-39 registered vehicle owner is in compliance with Subchapter F,
160-40 Chapter 548.

160-41 (d) The department, the Texas [~~Natural Resource~~
160-42 ~~Conservation~~] Commission on Environmental Quality, and the
160-43 Department of Public Safety shall enter an agreement regarding the
160-44 responsibilities for costs associated with implementing this
160-45 section.

160-46 (e) A county tax assessor-collector is not liable to any
160-47 person for refusing to register a motor vehicle because of the
160-48 person's failure to provide verification of the person's compliance
160-49 with Subchapter F, Chapter 548.

160-50 SECTION 33.084. Section 502.005, Transportation Code, is
160-51 transferred to Subchapter B, Chapter 502, Transportation Code,
160-52 renumbered as Section 502.048, Transportation Code, and amended to
160-53 read as follows:

160-54 Sec. 502.048 [~~502.005~~]. REFUSAL TO REGISTER UNSAFE
160-55 VEHICLE. [~~(a)~~] The department may refuse to register a motor
160-56 vehicle and may cancel, suspend, or revoke a registration if the
160-57 department determines that a motor vehicle is unsafe, improperly
160-58 equipped, or otherwise unfit to be operated on a public highway.

160-59 [~~(b) The department may refuse to register a motorcycle and~~
160-60 ~~may suspend or revoke the registration of a motorcycle if the~~
160-61 ~~department determines that the motorcycle's braking system does not~~
160-62 ~~comply with Section 547.408.~~]

160-63 SECTION 33.085. Section 502.055(b), Transportation Code,
160-64 is amended to read as follows:

160-65 (b) The department may require an applicant for
160-66 registration under this chapter to provide the department with
160-67 evidence of:

160-68 (1) the manufacturer's rated carrying capacity for the
160-69 vehicle; or

(2) ~~[the nominal tonnage rating of the vehicle,~~
~~[(3)] the gross vehicle weight rating [of the vehicle,~~

or

~~[(4) any combination of information described in
 Subdivisions (1)-(3)].~~

SECTION 33.086. Section 502.178, Transportation Code, is transferred to Subchapter B, Chapter 502, Transportation Code, renumbered as Section 502.057, Transportation Code, and amended to read as follows:

Sec. 502.057 [502.178]. REGISTRATION RECEIPT. ~~[(a)]~~ The department shall issue or require to be issued to the owner of a vehicle registered under this chapter a registration receipt showing the information required by rule [+

~~[(1) the date of issuance,~~

~~[(2) the license number assigned to the vehicle,~~

~~[(3) the name and address of the owner, and~~

~~[(4) other information as determined by the~~

department.

~~[(b) The registration receipt issued for a commercial motor vehicle, truck-tractor, trailer, or semitrailer must show the gross weight for which the vehicle is registered].~~

SECTION 33.087. Section 502.179, Transportation Code, is transferred to Subchapter B, Chapter 502, Transportation Code, renumbered as Section 502.058, Transportation Code, and amended to read as follows:

Sec. 502.058 [502.179]. DUPLICATE REGISTRATION RECEIPT. (a) The owner of a vehicle for which the registration receipt has been lost or destroyed may obtain a duplicate receipt from the department or the county assessor-collector who issued the original receipt by paying a fee of \$2.

(b) The office issuing a duplicate receipt shall retain the fee received ~~[as a fee of office].~~

SECTION 33.088. Section 502.180, Transportation Code, is transferred to Subchapter B, Chapter 502, Transportation Code, renumbered as Section 502.059, Transportation Code, and amended to read as follows:

Sec. 502.059 [502.180]. ISSUANCE OF ~~[LICENSE PLATE OR] REGISTRATION INSIGNIA.~~ (a) On payment of the prescribed fee ~~[, the department shall issue to]~~ an applicant for motor vehicle registration shall be issued a ~~[license plate or set of plates or a device that, when attached to the vehicle as prescribed by the department, is the]~~ registration insignia ~~[for the period for which it was issued].~~

~~(b) [Subject to Subchapter I, the department shall issue only one license plate or set of plates for a vehicle during a five-year period.]~~

~~[(c)]~~ On application and payment of the prescribed fee for a renewal of the registration of a vehicle through the seventh ~~[for the first, second, third, or fourth]~~ registration year after the issuance of a license plate or set of plates for the vehicle, the department shall issue a registration insignia for the validation of the license plate or plates to be attached as provided by Subsection (c) ~~[(d)].~~

~~(c)~~ ~~[(d)]~~ Except as provided by Subsection (f) ~~[(h)]~~, the registration insignia for validation of a license plate shall be attached to the inside of the vehicle's windshield, if the vehicle has a windshield, within six inches of the place where the motor vehicle inspection sticker is required to be placed. If the vehicle does not have a windshield, the owner, when applying for registration or renewal of registration, shall notify the department, and the department shall issue a distinctive device for attachment to the rear license plate of the vehicle.

~~(d)~~ Department ~~[(e)]~~ ~~The department shall adopt rules for the issuance and use of license plates and registration insignia issued under this chapter. The]~~ rules may provide for the use of an automated registration process, including:

(1) the automated on-site production of registration insignia; and

(2) automated on-premises and off-premises

162-1 self-service registration.

162-2 (e) Subsection (c) does [~~(f) Subsections (b)-(d) do~~] not
 162-3 apply to:

162-4 (1) the issuance of specialized license plates as
 162-5 designated by the department, including state official license
 162-6 plates, exempt plates for governmental entities, and temporary
 162-7 registration plates; or

162-8 (2) the issuance or validation of replacement license
 162-9 plates, except as provided by Chapter 504 [~~Section 502.184~~].

162-10 (f) [~~(g) The department shall provide a separate and~~
 162-11 ~~distinctive tab to be affixed to the license plate of an automobile,~~
 162-12 ~~pickup, or recreational vehicle that is offered for rent, as a~~
 162-13 ~~business, to any part of the public.~~

162-14 [~~(h)~~] The registration insignia [~~for validation of a~~
 162-15 ~~license plate]~~ shall be attached to the rear license plate of the
 162-16 vehicle, if the vehicle is:

162-17 (1) a motorcycle;

162-18 (2) machinery used exclusively to drill water wells or
 162-19 construction machinery for which a distinguishing license plate has
 162-20 been issued under Section 502.146 [~~504.504~~]; or

162-21 (3) oil well servicing, oil clean out, or oil well
 162-22 drilling machinery or equipment for which a distinguishing license
 162-23 plate has been issued under Subchapter G, Chapter 623.

162-24 SECTION 33.089. Section 502.184, Transportation Code, is
 162-25 transferred to Subchapter B, Chapter 502, Transportation Code,
 162-26 renumbered as Section 502.060, Transportation Code, and amended to
 162-27 read as follows:

162-28 Sec. 502.060 [~~502.184~~]. REPLACEMENT OF [LOST, STOLEN, OR
 162-29 MUTILATED LICENSE PLATE OR] REGISTRATION INSIGNIA. (a) The owner
 162-30 of a registered motor vehicle may obtain from the department
 162-31 through the county assessor-collector [~~replacement license plates~~
 162-32 ~~or~~] a replacement registration insignia by:

162-33 (1) certifying [~~filing with the assessor-collector a~~
 162-34 ~~statement.~~

162-35 [~~(A) showing~~] that [~~one or both of the license~~
 162-36 ~~plates or~~] the registration insignia to be replaced has been lost,
 162-37 stolen, or mutilated[+] and

162-38 [~~(B) stating~~] that the replacement [~~no license~~
 162-39 ~~plate or~~] registration insignia [~~to be replaced~~] will not be used on
 162-40 any other vehicle owned or operated by the person making the
 162-41 statement;

162-42 (2) paying a fee of \$5 plus the fees required by
 162-43 Sections 502.356(a) [~~502.170(a)~~] and 502.360 [~~502.1705(a)~~] for
 162-44 [~~each set of replacement license plates or~~] each replacement
 162-45 registration insignia, unless specified in other law [~~except as~~
 162-46 ~~provided by Subsection (b), (c), or (i)~~]; and

162-47 (3) returning [~~to~~] the [~~assessor-collector each~~
 162-48 ~~replaced plate or~~] registration insignia in the owner's possession.

162-49 (b) A [~~No~~] fee is not required under this section if the
 162-50 replacement fee has been paid under Section 504.008. [~~for the~~
 162-51 ~~replacement of lost, stolen, or mutilated specialized license~~
 162-52 ~~plates issued under Sections 504.308 and 504.315(e) and (f).~~ The
 162-53 fee for replacement of certain specialized license plates is:

162-54 [License plates issued under:	Fee:
162-55 [Section 504.411	\$2
162-56 [Section 504.409	\$9]

162-57 (c) The fee for replacement of a registration insignia of
 162-58 all other specialized license plates issued under this chapter
 162-59 [~~Section 504.507~~] is the amount prescribed by the department as
 162-60 necessary to recover the cost of providing the replacement
 162-61 [plates].

162-62 (d) [~~If license plates approved under Section 504.501(b) or~~
 162-63 ~~504.502(c) are lost, stolen, or mutilated, the owner of the vehicle~~
 162-64 ~~may obtain approval of another set of license plates as provided by~~
 162-65 ~~Section 504.501 or 504.502, respectively. The fee for approval of~~
 162-66 ~~replacement license plates is \$5.~~

162-67 [~~(e)~~] A county assessor-collector may not issue
 162-68 [~~replacement license plates or a~~] replacement registration
 162-69 insignia without complying with this section.

163-1 (e) [~~(f)~~] A county assessor-collector shall retain \$2.50 of
 163-2 each fee collected under this section and shall report and send the
 163-3 remainder to the department [~~as provided by Sections 502.102 and~~
 163-4 ~~502.105~~].

163-5 [~~(g)~~] Replacement license plates may be used in the
 163-6 registration year in which the plates are issued and during each
 163-7 succeeding year of the five-year period as prescribed by Section
 163-8 502.180(b) if the registration insignia is properly attached.

163-9 [~~(h)~~] Subsection (g) does not apply to the issuance of
 163-10 specialized license plates as designated by the department,
 163-11 including state official license plates, exempt plates for
 163-12 governmental entities, and temporary registration plates.

163-13 [~~(i)~~] The owner of a vehicle listed in Section 502.180(h) may
 163-14 obtain replacement plates and a replacement registration insignia
 163-15 by paying a fee of \$5 plus the fees required by Sections 502.170(a)
 163-16 and 502.1705(a).]

163-17 SECTION 33.090. The heading to Subchapter C, Chapter 502,
 163-18 Transportation Code, is amended to read as follows:

163-19 SUBCHAPTER C. SPECIAL REGISTRATIONS [~~COUNTY ADMINISTRATION~~]

163-20 SECTION 33.091. Section 502.0025, Transportation Code, is
 163-21 transferred to Subchapter C, Chapter 502, Transportation Code, and
 163-22 renumbered as Section 502.090, Transportation Code, to read as
 163-23 follows:

163-24 Sec. 502.090 [~~502.0025~~]. EFFECT OF CERTAIN MILITARY
 163-25 SERVICE ON REGISTRATION REQUIREMENT. (a) This section applies
 163-26 only to a motor vehicle that is owned by a person who:

163-27 (1) is a resident of this state;
 163-28 (2) is on active duty in the armed forces of the United
 163-29 States;

163-30 (3) is stationed in or has been assigned to another
 163-31 nation under military orders; and

163-32 (4) has registered the vehicle or been issued a
 163-33 license for the vehicle under the applicable status of forces
 163-34 agreement by:

163-35 (A) the appropriate branch of the armed forces of
 163-36 the United States; or

163-37 (B) the nation in which the person is stationed
 163-38 or to which the person has been assigned.

163-39 (b) Unless the registration or license issued for a vehicle
 163-40 described by Subsection (a) is suspended, canceled, or revoked by
 163-41 this state as provided by law:

163-42 (1) Section 502.040(a) [~~502.002(a)~~] does not apply;
 163-43 and

163-44 (2) the registration or license issued by the armed
 163-45 forces or host nation remains valid and the motor vehicle may be
 163-46 operated in this state under that registration or license for a
 163-47 period of not more than 90 days after the date on which the vehicle
 163-48 returns to this state.

163-49 SECTION 33.092. Section 502.054, Transportation Code, is
 163-50 transferred to Subchapter C, Chapter 502, Transportation Code,
 163-51 renumbered as Section 502.091, Transportation Code, and amended to
 163-52 read as follows:

163-53 Sec. 502.091 [~~502.054~~]. INTERNATIONAL REGISTRATION PLAN
 163-54 [~~AGREEMENTS WITH OTHER JURISDICTIONS, OFFENSE~~]. (a) The

163-55 department, through its director, may enter into an agreement with
 163-56 an authorized officer of another jurisdiction, including another
 163-57 state of the United States, a foreign country or a state, province,
 163-58 territory, or possession of a foreign country, to provide for:

163-59 (1) the registration of vehicles by residents of this
 163-60 state and nonresidents on an allocation or mileage apportionment
 163-61 plan, as under the International Registration Plan; and

163-62 (2) the exemption from payment of registration fees by
 163-63 nonresidents if residents of this state are granted reciprocal
 163-64 exemptions.

163-65 (b) The department may adopt and enforce rules to carry out
 163-66 the International Registration Plan or other agreement under this
 163-67 section.

163-68 (c) To carry out the International Registration Plan or
 163-69 other agreement under this section, the department shall direct

164-1 that fees collected for other jurisdictions under the agreement be
164-2 deposited to the credit of the proportional registration
164-3 distributive fund in the state treasury and distributed to the
164-4 appropriate jurisdiction through that fund.

164-5 (d) This section prevails to the extent of conflict with
164-6 another law relating to the subject of this section.

164-7 (e) A person commits an offense if the person owns or
164-8 operates a vehicle not registered in this state in violation of:

- 164-9 (1) an agreement under this section; or
- 164-10 (2) the applicable registration laws of this state, in
164-11 the absence of an agreement under this section.

164-12 (f) An offense under Subsection (e) is a misdemeanor
164-13 punishable by a fine not to exceed \$200.

164-14 SECTION 33.093. Section 502.355, Transportation Code, is
164-15 transferred to Subchapter C, Chapter 502, Transportation Code,
164-16 renumbered as Section 502.092, Transportation Code, and amended to
164-17 read as follows:

164-18 Sec. 502.092 [~~502.355~~]. NONRESIDENT-OWNED VEHICLES USED TO
164-19 TRANSPORT FARM PRODUCTS [~~OFFENSE~~]. (a) The department may issue
164-20 to a nonresident owner a permit for a truck, truck-tractor,
164-21 trailer, or semitrailer that:

- 164-22 (1) is registered in the owner's home state or country;
- 164-23 and

- 164-24 (2) will be used to transport:
- 164-25 (A) farm products produced in this state from the
164-26 place of production to a place of market or storage or a railhead
164-27 that is not more than 75 miles from the place of production;

- 164-28 (B) machinery used to harvest farm products
164-29 produced in this state; or

- 164-30 (C) farm products produced outside this state
164-31 from the point of entry into this state to a place of market,
164-32 storage, or processing or a railhead or seaport that is not more
164-33 than 80 miles from the point of entry.

164-34 (b) The department shall issue a distinguishing insignia
164-35 for a vehicle issued a permit under this section. The insignia must
164-36 be attached to the vehicle in lieu of regular license plates and
164-37 must show the permit expiration date. A permit issued under this
164-38 section is valid until the earlier of:

- 164-39 (1) the date the vehicle's registration in the owner's
164-40 home state or country expires; or
- 164-41 (2) the 30th day after the date the permit is issued.

164-42 (c) A person may obtain a permit under this section by:

- 164-43 (1) applying to the department as [~~on a form~~]
164-44 prescribed by the department;
- 164-45 (2) paying a fee equal to 1/12 the registration fee
164-46 prescribed by this chapter for the vehicle;
- 164-47 (3) furnishing satisfactory evidence that the motor
164-48 vehicle is insured under an insurance policy that complies with
164-49 Section 601.072 and that is written by:

- 164-50 (A) an insurance company or surety company
164-51 authorized to write motor vehicle liability insurance in this
164-52 state; or

- 164-53 (B) with the department's approval, a surplus
164-54 lines insurer that meets the requirements of Chapter 981, Insurance
164-55 Code, and rules adopted by the commissioner of insurance under that
164-56 chapter, if the applicant is unable to obtain insurance from an
164-57 insurer described by Paragraph (A); and

- 164-58 (4) furnishing evidence that the vehicle has been
164-59 inspected as required under Chapter 548.

164-60 (d) A nonresident owner may not obtain more than three
164-61 permits under this section during a registration year.

164-62 (e) A vehicle for which a permit is issued under this
164-63 section may not be operated in this state after the permit expires
164-64 unless the owner:

- 164-65 (1) obtains another temporary permit; or
- 164-66 (2) registers the vehicle under Section 502.253,
164-67 502.254, 502.256 [~~502.162,~~ ~~502.165,~~ ~~502.166~~], or 502.255
164-68 [~~502.167~~], as appropriate, for the remainder of the registration
164-69 year.

165-1 (f) A vehicle for which a permit is issued under this
165-2 section may not be registered under Section 502.433 [~~502.163~~].

165-3 (g) A mileage referred to in this section is a state highway
165-4 mileage.

165-5 [~~(h) A person operating a vehicle under a permit issued~~
165-6 ~~under this section commits an offense if the person:~~

165-7 [~~(1) transports farm products to a place of market,~~
165-8 ~~storage, or processing or a railhead or seaport that is farther from~~
165-9 ~~the place of production or point of entry, as appropriate, than the~~
165-10 ~~distance provided for in the permit, or~~

165-11 [~~(2) follows a route other than that prescribed by the~~
165-12 ~~Texas Transportation Commission.~~

165-13 [~~(i) An offense under Subsection (h) is a misdemeanor~~
165-14 ~~punishable by a fine of not less than \$25 or more than \$200.]~~

165-15 SECTION 33.094. Section 502.353, Transportation Code, is
165-16 transferred to Subchapter C, Chapter 502, Transportation Code,
165-17 renumbered as Section 502.093, Transportation Code, and amended to
165-18 read as follows:

165-19 Sec. 502.093 [~~502.353~~]. [~~FOREIGN COMMERCIAL VEHICLES,~~
165-20 ~~ANNUAL PERMITS~~ ~~[+, OFFENSE]~~. (a) The department may issue an annual
165-21 permit in lieu of registration to a foreign commercial motor
165-22 vehicle, trailer, or semitrailer that [+]

165-23 [~~(1)~~] is subject to registration in this state [+] and
165-24 [~~(2)~~] is not authorized to travel on a public highway
165-25 because of the lack of registration in this state or the lack of
165-26 reciprocity with the state or country in which the vehicle is
165-27 registered.

165-28 (b) A permit issued under this section [+
165-29 [~~(1) is in lieu of registration, and~~
165-30 [~~(2)~~] is valid for a vehicle registration year to
165-31 begin on the first day of a calendar month designated by the
165-32 department and end on the last day of the last calendar month of the
165-33 registration year.

165-34 (c) A permit may not be issued under this section for the
165-35 importation of citrus fruit into this state from a foreign country
165-36 except for foreign export or processing for foreign export.

165-37 (d) A person may obtain a permit under this section by:
165-38 (1) applying in the manner prescribed by [~~the~~] the
165-39 department;

165-40 (2) paying a registration fee in the amount required
165-41 by Subsection (e) in the manner prescribed by the department,
165-42 including a service charge for a credit card payment or escrow
165-43 account [~~cash or by postal money order or certified check~~]; and

165-44 (3) furnishing evidence of financial responsibility
165-45 for the motor vehicle that complies with Sections 502.046(c)
165-46 [~~502.153(e)~~] and 601.168(a), the policies to be written by an
165-47 insurance company or surety company authorized to write motor
165-48 vehicle liability insurance in this state.

165-49 (e) The fee for a permit under this section is the fee that
165-50 would be required for registering the vehicle under Section 502.253
165-51 [~~502.162~~] or 502.255 [~~502.167~~], except as provided by Subsection
165-52 (f).

165-53 (f) A vehicle registered under this section is exempt from
165-54 the token fee and is not required to display the associated
165-55 distinguishing license plate if the vehicle:

165-56 (1) is a semitrailer that has a gross weight of more
165-57 than 6,000 pounds; and

165-58 (2) is used or intended to be used in combination with
165-59 a truck tractor or commercial motor vehicle with a gross vehicle
165-60 weight [~~manufacturer's rated carrying capacity~~] of more than 10,000
165-61 pounds [~~one ton~~].

165-62 (g) A vehicle registered under this section is not subject
165-63 to the fee required by Section 502.401 [~~502.172~~] or 502.403
165-64 [~~502.173~~].

165-65 [~~(h) The department may:~~
165-66 [~~(1) adopt rules to administer this section, and~~
165-67 [~~(2) prescribe an application for a permit and other~~
165-68 ~~forms under this section.~~

165-69 [~~(i) A person who violates this section commits an offense.~~

166-1 ~~An offense under this section is a misdemeanor punishable by a fine~~
 166-2 ~~not to exceed \$200.~~

166-3 SECTION ~~33.095~~. Section 502.352, Transportation Code, is
 166-4 transferred to Subchapter C, Chapter 502, Transportation Code,
 166-5 renumbered as Section 502.094, Transportation Code, and amended to
 166-6 read as follows:

166-7 Sec. 502.094 [~~502.352~~]. 72- OR 144-HOUR PERMITS [~~FOREIGN~~
 166-8 ~~COMMERCIAL VEHICLES~~]. (a) The department may issue a temporary
 166-9 registration permit in lieu of registration for a commercial motor
 166-10 vehicle, trailer, semitrailer, or motor bus that:

166-11 (1) is owned by a resident of the United States,
 166-12 Canada, or the United Mexican States;

166-13 (2) is subject to registration in this state; and

166-14 (3) is not authorized to travel on a public highway
 166-15 because of the lack of registration in this state or the lack of
 166-16 reciprocity with the state or province in which the vehicle is
 166-17 registered.

166-18 (b) A permit issued under this section [~~+~~
 166-19 [~~(1) is in lieu of registration, and~~
 166-20 [~~(2)~~] is valid for the period stated on the permit,
 166-21 effective from the date and time shown on the receipt issued as
 166-22 evidence of registration under this section.

166-23 (c) A person may obtain a permit under this section by:

166-24 (1) applying to the county assessor-collector, the
 166-25 department, or the department's wire service agent, if the
 166-26 department has a wire service agent;

166-27 (2) paying a fee of \$25 for a 72-hour permit or \$50 for
 166-28 a 144-hour permit in the manner prescribed by the department that
 166-29 may include a registration service charge for a credit card payment
 166-30 or escrow account [~~+~~

166-31 [~~(A) in cash,~~

166-32 [~~(B) by postal money order,~~

166-33 [~~(C) by certified check,~~

166-34 [~~(D) by wire transfer through the department's~~
 166-35 ~~wire service agent, if any,~~

166-36 [~~(E) by an escrow account, or~~

166-37 [~~(F) where the service is provided, by a credit~~
 166-38 ~~card issued by:~~

166-39 [~~(i) a financial institution chartered by a~~
 166-40 ~~state or the United States, or~~

166-41 [~~(ii) a nationally recognized credit~~
 166-42 ~~organization approved by the Texas Transportation Commission,~~

166-43 [~~(3) paying a discount or service charge for a credit~~
 166-44 ~~card payment or escrow account, in addition to the fee]; and~~

166-45 (3) [~~(4)~~] furnishing to the county
 166-46 assessor-collector, the department, or the department's wire
 166-47 service agent, evidence of financial responsibility for the vehicle
 166-48 that complies with Sections 502.046(c) [~~502.153(e)~~] and 601.168(a)
 166-49 [~~and is written by an insurance company or surety company~~
 166-50 ~~authorized to write motor vehicle liability insurance in this~~
 166-51 ~~state].~~

166-52 (d) A county assessor-collector shall report and send a fee
 166-53 collected under this section in the manner provided by Section
 166-54 502.198 [~~Sections 502.102 and 502.105~~]. Each week, a wire service
 166-55 agent shall send to the department a report of all permits issued by
 166-56 the agent during the previous week. The department by rule shall
 166-57 prescribe the format [~~form~~] and content of a report required by this
 166-58 subsection.

166-59 (e) [~~The department may:~~

166-60 [~~(1) adopt rules to administer this section, and~~

166-61 [~~(2) prescribe an application for a permit and other~~
 166-62 ~~forms under this section.~~

166-63 [~~(f)~~] A vehicle issued a permit under this section is
 166-64 subject to Subchapters B and F, Chapter 548, unless the vehicle:

166-65 (1) is registered in another state of the United
 166-66 States, in a province of Canada, or in a state of the United Mexican
 166-67 States; or

166-68 (2) is mobile drilling or servicing equipment used in
 166-69 the production of gas, crude petroleum, or oil, including a mobile

167-1 crane or hoisting equipment, mobile lift equipment, forklift, or
167-2 tug.

167-3 (f) [~~g~~] A commercial motor vehicle, trailer, semitrailer,
167-4 or motor bus apprehended for violating a registration law of this
167-5 state:

167-6 (1) may not be issued a permit under this section; and
167-7 (2) is immediately subject to registration in this
167-8 state.

167-9 (g) [~~h~~] A person who operates a commercial motor vehicle,
167-10 trailer, or semitrailer with an expired permit issued under this
167-11 section is considered to be operating an unregistered vehicle
167-12 subject to each penalty prescribed by law.

167-13 (h) [~~i~~] The department may establish one or more escrow
167-14 accounts in the state highway fund for the prepayment of a 72-hour
167-15 permit or a 144-hour permit. Any fee established by the department
167-16 for the administration of this subsection shall be administered as
167-17 required by an agreement entered into by the department.

167-18 (i) The department may refuse and may instruct a county
167-19 assessor-collector to refuse to issue a temporary registration for
167-20 any vehicle if, in the department's opinion, the vehicle or the
167-21 owner of the vehicle has been involved in operations that
167-22 constitute an abuse of the privilege granted by this section. A
167-23 registration issued after notice of the involvement is received is
167-24 void.

167-25 SECTION 33.096. Section 502.354, Transportation Code, is
167-26 transferred to Subchapter C, Chapter 502, Transportation Code,
167-27 renumbered as Section 502.095, Transportation Code, and amended to
167-28 read as follows:

167-29 Sec. 502.095 [502.354]. ONE-TRIP [SINGLE] OR 30-DAY TRIP
167-30 PERMITS [~~OFFENSE~~]. (a) The department may issue a temporary
167-31 permit in lieu of registration for a vehicle [~~that~~

167-32 [~~(1) is~~] subject to registration in this state that [~~+~~
167-33 and

167-34 [~~(2)~~] is not authorized to travel on a public highway
167-35 because of the lack of registration in this state or the lack of
167-36 reciprocity with the state or country in which the vehicle is
167-37 registered.

167-38 (b) A permit issued under this section [~~+~~
167-39 [~~(1) is in lieu of registration, and~~
167-40 [~~(2)~~] is valid for:

167-41 (1) [~~A~~] one trip, as provided by Subsection (c); or

167-42 (2) [~~B~~] 30 days, as provided by Subsection (d).

167-43 (c) A one-trip permit is valid for one trip between the
167-44 points of origin and destination and those intermediate points
167-45 specified in the application and registration receipt. Unless the
167-46 vehicle is a bus operating under charter that is not covered by a
167-47 reciprocity agreement with the state or country in which the bus is
167-48 registered, a one-trip permit is for the transit of the vehicle
167-49 only, and the vehicle may not be used for the transportation of any
167-50 passenger or property. A one-trip permit may not be valid for
167-51 longer than 15 days from the effective date of registration.

167-52 (d) A 30-day permit may be issued only to a passenger
167-53 vehicle, a private bus, a trailer or semitrailer with a gross weight
167-54 of not more than 10,000 pounds, a light truck, or a light commercial
167-55 vehicle with a gross vehicle weight [~~manufacturer's rated carrying~~
167-56 ~~capacity~~] of more than 10,000 pounds [~~one-ton~~] that will operate
167-57 unladen. A person may obtain multiple 30-day permits. The
167-58 department may issue a single registration receipt to apply to all
167-59 of the periods for which the vehicle is registered.

167-60 (e) A person may obtain a permit under this section by:

167-61 (1) applying as [~~on a form~~] provided by the department
167-62 to:

167-63 (A) the county assessor-collector of the county
167-64 in which the vehicle will first be operated on a public highway; or

167-65 (B) the department in Austin or at one of the
167-66 department's vehicle title and registration regional offices;

167-67 (2) paying a fee, in the manner prescribed by the
167-68 department including a registration service charge for a credit
167-69 card payment or escrow account [~~cash or by postal money order or~~

168-1 ~~certified check,~~ of:

- 168-2 (A) \$5 for a one-trip permit; or
 168-3 (B) \$25 for each 30-day period; and
 168-4 (3) furnishing evidence of financial responsibility
 168-5 for the vehicle in a form listed under Section 502.046(c)
 168-6 [~~502.153(c)~~].

168-7 (f) A registration receipt [~~and temporary tag~~] shall be
 168-8 carried in the vehicle at all times during the period in which it is
 168-9 valid [~~issued on forms provided by the department~~]. The temporary
 168-10 tag must contain all pertinent information required by this section
 168-11 and must be displayed in the rear window of the vehicle so that the
 168-12 tag is clearly visible and legible when viewed from the rear of the
 168-13 vehicle. If the vehicle does not have a rear window, the temporary
 168-14 tag must be attached on or carried in the vehicle to allow ready
 168-15 inspection. The registration receipt must be carried in the
 168-16 vehicle at all times during the period in which it is valid.

168-17 (g) The department may refuse and may instruct a county
 168-18 assessor-collector to refuse to issue a temporary registration for
 168-19 any vehicle if, in the department's opinion, the vehicle or the
 168-20 owner of the vehicle has been involved in operations that
 168-21 constitute an abuse of the privilege granted by this section. A
 168-22 registration issued after notice to a county assessor-collector
 168-23 under this subsection is void.

168-24 [~~(h) A person issued a temporary registration under this~~
 168-25 ~~section who operates a vehicle in violation of Subsection (f)~~
 168-26 ~~commits an offense. An offense under this subsection is a Class C~~
 168-27 ~~misdemeanor.~~

168-28 [~~(i) The department may:~~
 168-29 [~~(1) adopt rules to administer this section; and~~
 168-30 [~~(2) prescribe an application for a permit and other~~
 168-31 ~~forms under this section.~~]

168-32 SECTION 33.097. The heading to Subchapter D, Chapter 502,
 168-33 Transportation Code, is amended to read as follows:

168-34 SUBCHAPTER D. VEHICLES NOT ISSUED REGISTRATION [~~PROCEDURES AND~~
 168-35 ~~FEES~~]

168-36 SECTION 33.098. Section 502.006, Transportation Code, is
 168-37 transferred to Subchapter D, Chapter 502, Transportation Code,
 168-38 renumbered as Section 502.140, Transportation Code, and amended to
 168-39 read as follows:

168-40 Sec. 502.140 [~~502.006~~]. ALL-TERRAIN VEHICLES. (a) Except
 168-41 as provided by Subsection (b), a person may not register an
 168-42 all-terrain vehicle, with or without design alterations, for
 168-43 operation on a public highway.

168-44 (b) The state, a county, or a municipality may register an
 168-45 all-terrain vehicle for operation on a public beach or highway to
 168-46 maintain public safety and welfare.

168-47 (c) [~~(e)~~] Section 502.401 [~~502.172~~] does not apply to an
 168-48 all-terrain vehicle.

168-49 (d) Operation in compliance with Section 663.037 does not
 168-50 require registration.

168-51 SECTION 33.099. Section 502.0071, Transportation Code, is
 168-52 transferred to Subchapter D, Chapter 502, Transportation Code,
 168-53 renumbered as Section 502.141, Transportation Code, and amended to
 168-54 read as follows:

168-55 Sec. 502.141 [~~502.0071~~]. GOLF CARTS. A [An owner of a]
 168-56 golf cart may be operated on a public highway without registration
 168-57 [~~is not required to register the golf cart]~~ if:

168-58 (1) the operation of the golf cart occurs in the
 168-59 daytime, as defined by Section 541.401; and

168-60 (2) the operation:
 168-61 (A) does not exceed a distance of two miles from
 168-62 the point of origin to the destination if driven to and from a golf
 168-63 course;

168-64 (B) occurs entirely within a master planned
 168-65 community with a uniform set of restrictive covenants that has had a
 168-66 plat approved by a county or a municipality; or

168-67 (C) occurs on a public or private beach.

168-68 SECTION 33.100. Section 502.0072, Transportation Code, is
 168-69 transferred to Subchapter D, Chapter 502, Transportation Code, and

169-1 renumbered as Section 502.142, Transportation Code, to read as
169-2 follows:

169-3 Sec. 502.142 [502.0072]. MANUFACTURED HOUSING.
169-4 Manufactured housing, as defined by Section 1201.003, Occupations
169-5 Code, is not a vehicle subject to this chapter.

169-6 SECTION 33.101. Section 502.0073, Transportation Code, is
169-7 transferred to Subchapter D, Chapter 502, Transportation Code,
169-8 renumbered as Section 502.143, Transportation Code, and amended to
169-9 read as follows:

169-10 Sec. 502.143 [502.0073]. OTHER VEHICLES [POWER SWEEPERS].
169-11 [~~(a)~~] An owner [~~of a power sweeper~~] is not required to register the
169-12 following vehicles for operation on a public highway:

- 169-13 (1) power sweepers;
169-14 (2) motorized mobility devices;
169-15 (3) electric personal assistive mobility devices; and
169-16 (4) electric bicycles [sweeper].

169-17 [~~(b)~~] In this section, "power sweeper" means an implement,
169-18 with or without motive power, designed for the removal by broom,
169-19 vacuum, or regenerative air system of debris, dirt, gravel, litter,
169-20 or sand from asphaltic concrete or cement concrete surfaces,
169-21 including surfaces of parking lots, roads, streets, highways, and
169-22 warehouse floors. The term includes a vehicle on which the
169-23 implement is permanently mounted if the vehicle is used only as a
169-24 power sweeper.]

169-25 SECTION 33.102. Section 502.0078, Transportation Code, is
169-26 transferred to Subchapter D, Chapter 502, Transportation Code, and
169-27 renumbered as Section 502.144, Transportation Code, to read as
169-28 follows:

169-29 Sec. 502.144 [502.0078]. VEHICLES OPERATED ON PUBLIC
169-30 HIGHWAY SEPARATING REAL PROPERTY UNDER VEHICLE OWNER'S CONTROL.
169-31 Where a public highway separates real property under the control of
169-32 the owner of a motor vehicle, the operation of the motor vehicle by
169-33 the owner or the owner's agent or employee across the highway is not
169-34 a use of the motor vehicle on the public highway.

169-35 SECTION 33.103. Section 502.0079, Transportation Code, is
169-36 transferred to Subchapter D, Chapter 502, Transportation Code,
169-37 renumbered as Section 502.145, Transportation Code, and amended to
169-38 read as follows:

169-39 Sec. 502.145 [502.0079]. VEHICLES OPERATED BY CERTAIN
169-40 NONRESIDENTS. (a) [~~A nonresident owner of a motor vehicle,~~
169-41 ~~trailer, or semitrailer that is registered in the state or country~~
169-42 ~~in which the person resides may operate the vehicle to transport~~
169-43 ~~persons or property for compensation without being registered in~~
169-44 ~~this state, if the person does not exceed two trips in a calendar~~
169-45 ~~month and each trip does not exceed four days.~~

169-46 [~~(b)~~] A nonresident owner of a privately owned vehicle that
169-47 is not registered in this state may not make more than five
169-48 occasional trips in any calendar month into this state using the
169-49 vehicle. Each occasional trip into this state may not exceed five
169-50 days.

169-51 [~~(c)~~] A nonresident owner of a privately owned passenger car
169-52 that is registered in the state or country in which the person
169-53 resides and that is not operated for compensation may operate the
169-54 car in this state for the period in which the car's license plates
169-55 are valid. In this subsection, "nonresident" means a resident of a
169-56 state or country other than this state whose presence in this state
169-57 is as a visitor and who does not engage in gainful employment or
169-58 enter into business or an occupation, except as may otherwise be
169-59 provided by any reciprocal agreement with another state or country.

169-60 (b) [~~(d)~~] This section does not prevent:

169-61 (1) a nonresident owner of a motor vehicle from
169-62 operating the vehicle in this state for the sole purpose of
169-63 marketing farm products raised exclusively by the person; or

169-64 (2) a resident of an adjoining state or country from
169-65 operating in this state a privately owned and registered vehicle to
169-66 go to and from the person's place of regular employment and to make
169-67 trips to purchase merchandise, if the vehicle is not operated for
169-68 compensation.

169-69 (c) [~~(e)~~] The privileges provided by this section may be

170-1 allowed only if, under the laws of the appropriate state or country,
170-2 similar privileges are granted to vehicles registered under the
170-3 laws of this state and owned by residents of this state.

170-4 (d) [~~f~~] This section does not affect the right or status
170-5 of a vehicle owner under any reciprocal agreement between this
170-6 state and another state or country.

170-7 SECTION 33.104. Section 504.504, Transportation Code, is
170-8 transferred to Subchapter D, Chapter 502, Transportation Code,
170-9 renumbered as Section 502.146, Transportation Code, and amended to
170-10 read as follows:

170-11 Sec. 502.146 [~~504.504~~]. CERTAIN FARM VEHICLES AND DRILLING
170-12 AND CONSTRUCTION EQUIPMENT. (a) The department shall issue
170-13 specialty license plates to a vehicle described by Subsection (b)
170-14 or (c). The fee for the license plates is \$5.

170-15 (b) An owner is not required to register a vehicle that is
170-16 used only temporarily on the highways if the vehicle is:

170-17 (1) a farm trailer or farm semitrailer with a gross
170-18 weight of more than 4,000 pounds but not more than 34,000 pounds
170-19 that is used exclusively to transport:

170-20 (A) seasonally harvested agricultural products
170-21 or livestock from the place of production to the place of
170-22 processing, market, or storage; or

170-23 (B) farm supplies from the place of loading to
170-24 the farm;

170-25 (2) machinery used exclusively for the purpose of
170-26 drilling water wells; [~~or~~]

170-27 (3) oil well servicing or drilling machinery; or

170-28 (4) construction machinery [~~that is not designed to~~
170-29 ~~transport persons or property on a public highway~~].

170-30 (c) An owner is not required to register a vehicle that is:

170-31 (1) a farm trailer or farm semitrailer owned by a
170-32 cotton gin and used exclusively to transport agricultural products
170-33 without charge from the place of production to the place of
170-34 processing, market, or storage;

170-35 (2) a trailer used exclusively to transport fertilizer
170-36 without charge from a place of supply or storage to a farm; or

170-37 (3) a trailer used exclusively to transport cottonseed
170-38 without charge from a place of supply or storage to a farm or place
170-39 of processing.

170-40 (d) A vehicle described by Subsection (b) is exempt from the
170-41 inspection requirements of Subchapters B and F, Chapter 548.

170-42 (e) This section does not apply to a farm trailer or farm
170-43 semitrailer that:

170-44 (1) is used for hire;

170-45 (2) has metal tires operating in contact with the
170-46 highway;

170-47 (3) is not equipped with an adequate hitch pinned or
170-48 locked so that it will remain securely engaged to the towing vehicle
170-49 while in motion; or

170-50 (4) is not operated and equipped in compliance with
170-51 all other law.

170-52 (f) A vehicle to which this section applies that is operated
170-53 on a public highway in violation of this section is considered to be
170-54 operated while unregistered and is immediately subject to the
170-55 applicable registration fees and penalties prescribed by this
170-56 chapter [~~Chapter 502~~].

170-57 (g) In this section, the gross weight of a trailer or
170-58 semitrailer is the combined weight of the vehicle and the load
170-59 carried on the highway.

170-60 SECTION 33.105. The heading to Subchapter E, Chapter 502,
170-61 Transportation Code, is amended to read as follows:

170-62 SUBCHAPTER E. ADMINISTRATION OF FEES [~~SPECIALY DESIGNATED LICENSE~~
170-63 ~~PLATES, EXEMPTIONS FOR GOVERNMENTAL AND QUASI-GOVERNMENTAL~~
170-64 ~~VEHICLES~~]

170-65 SECTION 33.106. Section 502.159, Transportation Code, is
170-66 transferred to Subchapter E, Chapter 502, Transportation Code,
170-67 renumbered as Section 502.190, Transportation Code, and amended to
170-68 read as follows:

170-69 Sec. 502.190 [~~502.159~~]. SCHEDULE OF REGISTRATION FEES.

171-1 The department shall post ~~[compile and furnish to each county~~
 171-2 ~~assessor-collector]~~ a complete schedule of registration fees on the
 171-3 Internet ~~[to be collected on the various makes, models, and types of~~
 171-4 ~~vehicles]~~.

171-5 SECTION 33.107. Section 502.004, Transportation Code, is
 171-6 transferred to Subchapter E, Chapter 502, Transportation Code,
 171-7 renumbered as Section 502.191, Transportation Code, and amended to
 171-8 read as follows:

171-9 Sec. 502.191 ~~[502.004]~~. COLLECTION OF FEES. (a) A person
 171-10 may not collect a registration fee under this chapter unless the
 171-11 person is:

- 171-12 (1) an officer or employee of the department; or
 171-13 (2) a county assessor-collector or a deputy county
 171-14 assessor-collector.

171-15 (b) The department may accept electronic payment by
 171-16 electronic funds transfer, credit card, or debit card of any fee
 171-17 that the department is authorized to collect under this chapter.

171-18 (c) The department may collect a fee for processing a
 171-19 payment by electronic funds transfer, credit card, or debit card.
 171-20 The amount of the fee must be reasonably related to the expense
 171-21 incurred by the department in processing the payment by electronic
 171-22 funds transfer, credit card, or debit card and may not be more than
 171-23 five percent of the amount of the registration fee being paid.

171-24 (d) In addition to the fee authorized by Subsection (c), the
 171-25 department may collect from a person making payment by electronic
 171-26 funds transfer, credit card, or debit card an amount equal to the
 171-27 amount of any registration transaction fee charged to the
 171-28 department by a vendor providing services in connection with
 171-29 payments made by electronic funds transfer, credit card, or debit
 171-30 card. The limitation prescribed by Subsection (c) on the amount of
 171-31 a fee does not apply to a fee collected under this subsection.

171-32 (e) If, for any reason, the payment of a fee under this
 171-33 chapter by electronic funds transfer, credit card, or debit card is
 171-34 not honored by the funding institution or by the electronic funds
 171-35 transfer, credit card, or debit card company on which the funds are
 171-36 drawn, the department may collect from the person who owes the fee
 171-37 being collected a service charge that is for the collection of that
 171-38 original amount and is in addition to the original fee. The amount
 171-39 of the service charge must be reasonably related to the expense
 171-40 incurred by the department in collecting the original amount.

171-41 SECTION 33.108. Subchapter E, Chapter 502, Transportation
 171-42 Code, is amended by adding Section 502.192 to read as follows:

171-43 Sec. 502.192. TRANSFER FEE. The purchaser of a used motor
 171-44 vehicle shall pay, in addition to any fee required under Chapter 501
 171-45 for the transfer of title, a transfer fee of \$2.50 for the transfer
 171-46 of the registration of the motor vehicle. The county
 171-47 assessor-collector may retain as commission for services provided
 171-48 under this subchapter half of each transfer fee collected.

171-49 SECTION 33.109. Section 502.181, Transportation Code, is
 171-50 transferred to Subchapter E, Chapter 502, Transportation Code,
 171-51 renumbered as Section 502.193, Transportation Code, and amended to
 171-52 read as follows:

171-53 Sec. 502.193 ~~[502.181]~~. PAYMENT ~~[OF REGISTRATION FEE]~~ BY
 171-54 CHECK DRAWN AGAINST INSUFFICIENT FUNDS. (a) A county
 171-55 assessor-collector who receives from any person a check or draft
 171-56 for ~~[drawn on a bank or trust company in]~~ payment of a registration
 171-57 fee for a registration year that has not ended ~~[on a motor vehicle,~~
 171-58 ~~trailer, or motorcycle sidecar]~~ that is returned unpaid because of
 171-59 insufficient funds or no funds in the bank or trust company to the
 171-60 credit of the drawer of the check or draft shall immediately certify
 171-61 the fact to the sheriff or a constable or highway patrol officer in
 171-62 the county. The certification must:

- 171-63 (1) be under the assessor-collector's official seal;
 171-64 (2) include the name and address of the person who gave
 171-65 ~~[the assessor-collector]~~ the check or draft;
 171-66 (3) include the license plate number and make of the
 171-67 vehicle; and
 171-68 (4) be accompanied by the check or draft.

171-69 (b) On receiving a complaint under Subsection (a) from the

172-1 county assessor-collector, the sheriff, constable, or highway
 172-2 patrol officer shall find the person who gave ~~the~~
 172-3 ~~assessor-collector~~ the check or draft, if the person is in the
 172-4 county, and demand immediate redemption of the check or draft from
 172-5 the person. If the person fails or refuses to redeem the check or
 172-6 draft, the sheriff, constable, or highway patrol officer shall:

172-7 (1) seize and remove the license plates and
 172-8 registration insignia from the vehicle; and

172-9 (2) return the license plates and registration
 172-10 insignia to the county assessor-collector.

172-11 SECTION 33.110. Section 502.182, Transportation Code, is
 172-12 transferred to Subchapter E, Chapter 502, Transportation Code,
 172-13 renumbered as Section 502.194, Transportation Code, and amended to
 172-14 read as follows:

172-15 Sec. 502.194 [~~502.182~~]. CREDIT FOR REGISTRATION FEE PAID
 172-16 ON MOTOR VEHICLE SUBSEQUENTLY DESTROYED. (a) The owner of a motor
 172-17 vehicle that is destroyed to the extent that it cannot afterwards be
 172-18 operated on a public highway is entitled to a registration fee
 172-19 credit if the prorated portion of the registration fee for the
 172-20 remainder of the registration year is more than \$15. The owner must
 172-21 claim the credit by [+]

172-22 [~~(1)~~] sending the registration fee receipt [~~and the~~
 172-23 ~~license plates~~] for the vehicle to the department [~~+~~ and

172-24 [~~(2)~~ ~~executing a statement on a form provided by the~~
 172-25 ~~department showing that the license plates have been surrendered to~~
 172-26 ~~the department~~].

172-27 (b) The department, on satisfactory proof that the vehicle
 172-28 is destroyed, shall issue a registration fee credit slip to the
 172-29 owner in an amount equal to the prorated portion of the registration
 172-30 fee for the remainder of the registration year. The owner, during
 172-31 the same or the next registration year, may use the registration fee
 172-32 credit slip as payment or part payment for the registration of
 172-33 another vehicle to the extent of the credit.

172-34 [~~(c)~~ ~~A statement executed under Subsection (a)(2) shall be~~
 172-35 ~~delivered to a purchaser of the destroyed vehicle. The purchaser~~
 172-36 ~~may surrender the statement to the department in lieu of the vehicle~~
 172-37 ~~license plates.~~

172-38 [~~(d)~~ ~~The department shall adopt rules to administer this~~
 172-39 ~~section.~~]

172-40 SECTION 33.111. Section 502.183, Transportation Code, is
 172-41 transferred to Subchapter E, Chapter 502, Transportation Code,
 172-42 renumbered as Section 502.195, Transportation Code, and amended to
 172-43 read as follows:

172-44 Sec. 502.195 [~~502.183~~]. REFUND OF OVERCHARGED
 172-45 REGISTRATION FEE. (a) The owner of a motor vehicle [~~that is~~
 172-46 ~~required to be registered~~] who pays an annual registration fee in
 172-47 excess of the statutory amount is entitled to a refund of the
 172-48 overcharge.

172-49 (b) The county assessor-collector who collects the
 172-50 excessive fee shall refund an overcharge on presentation to the
 172-51 assessor-collector of satisfactory evidence of the overcharge [~~+~~
 172-52 ~~The owner must make a claim for a refund of an overcharge~~] not later
 172-53 than the first [~~fifth~~] anniversary of the date the excessive
 172-54 registration fee was paid.

172-55 (c) A refund shall be paid from the fund in which the
 172-56 county's share of registration fees is deposited.

172-57 SECTION 33.112. Section 502.051, Transportation Code, is
 172-58 transferred to Subchapter E, Chapter 502, Transportation Code, and
 172-59 renumbered as Section 502.196, Transportation Code, to read as
 172-60 follows:

172-61 Sec. 502.196 [~~502.051~~]. DEPOSIT OF REGISTRATION FEES IN
 172-62 STATE HIGHWAY FUND. Except as otherwise provided by this chapter,
 172-63 the Texas Transportation Commission and the department shall
 172-64 deposit all money received from registration fees in the state
 172-65 treasury to the credit of the state highway fund.

172-66 SECTION 33.113. Section 502.101, Transportation Code, is
 172-67 transferred to Subchapter E, Chapter 502, Transportation Code, and
 172-68 renumbered as Section 502.197, Transportation Code, to read as
 172-69 follows:

173-1 Sec. 502.197 [~~502.101~~]. REGISTRATION BY MAIL OR
 173-2 ELECTRONIC MEANS; SERVICE CHARGE. (a) A county
 173-3 assessor-collector may collect a service charge of \$1 from each
 173-4 applicant registering a vehicle by mail. The service charge shall
 173-5 be used to pay the costs of handling and postage to mail the
 173-6 registration receipt and insignia to the applicant.

173-7 (b) With the approval of the commissioners court of a
 173-8 county, a county assessor-collector may contract with a private
 173-9 entity to enable an applicant for registration to use an electronic
 173-10 off-premises location. A private entity may charge an applicant
 173-11 not more than \$1 for the service provided.

173-12 (c) The department may adopt rules to cover the timely
 173-13 application for and issuance of registration receipts and insignia
 173-14 by mail or through an electronic off-premises location.

173-15 SECTION 33.114. Section 502.102, Transportation Code, is
 173-16 transferred to Subchapter E, Chapter 502, Transportation Code,
 173-17 renumbered as Section 502.198, Transportation Code, and amended to
 173-18 read as follows:

173-19 Sec. 502.198 [~~502.102~~]. DISPOSITION OF FEES GENERALLY.
 173-20 (a) Except as provided by Section 502.1982 [~~Sections 502.103 and~~
 173-21 ~~502.104~~], this section applies to all fees collected by a county
 173-22 assessor-collector under this chapter.

173-23 (b) Each Monday, a county assessor-collector shall credit
 173-24 to the county road and bridge fund an amount equal to the net
 173-25 collections made during the preceding week until the amount so
 173-26 credited for the calendar year equals the total of:

173-27 (1) \$60,000;
 173-28 (2) \$350 for each mile of county road maintained by the
 173-29 county, according to the most recent information available from the
 173-30 department, not to exceed 500 miles; and

173-31 (3) an additional amount of fees equal to the amount
 173-32 calculated under Section 502.1981 [~~502.1025~~].

173-33 (c) After the credits to the county road and bridge fund
 173-34 equal the total computed under Subsection (b), each Monday the
 173-35 county assessor-collector shall:

173-36 (1) credit to the county road and bridge fund an amount
 173-37 equal to 50 percent of the net collections made during the preceding
 173-38 week, until the amount so credited for the calendar year equals
 173-39 \$125,000; and

173-40 (2) send to the department an amount equal to 50
 173-41 percent of those collections.

173-42 (d) After the credits to the county road and bridge fund
 173-43 equal the total amounts computed under Subsections (b) and (c)(1),
 173-44 each Monday the county assessor-collector shall send to the
 173-45 department all collections made during the preceding week.

173-46 [~~(e) Each Monday the county assessor-collector shall send~~
 173-47 ~~to the department a copy of each receipt issued the previous week~~
 173-48 ~~for a registration fee under this chapter.]~~

173-49 SECTION 33.115. Section 502.1025, Transportation Code, is
 173-50 transferred to Subchapter E, Chapter 502, Transportation Code,
 173-51 renumbered as Section 502.1981, Transportation Code, and amended to
 173-52 read as follows:

173-53 Sec. 502.1981 [~~502.1025~~]. CALCULATION OF ADDITIONAL FEE
 173-54 AMOUNTS RETAINED BY A COUNTY. (a) The county tax
 173-55 assessor-collector each calendar year shall calculate five percent
 173-56 of the tax and penalties collected by the county tax
 173-57 assessor-collector under Chapter 152, Tax Code, in the preceding
 173-58 calendar year. In addition, the county tax assessor-collector
 173-59 shall calculate each calendar year an amount equal to five percent
 173-60 of the tax and penalties that the comptroller:

173-61 (1) collected under Section 152.047, Tax Code, in the
 173-62 preceding calendar year; and

173-63 (2) determines are attributable to sales in the
 173-64 county.

173-65 (b) A county tax assessor-collector shall retain under
 173-66 Section 502.198(b) [~~502.102(b)~~] fees based on the following
 173-67 percentage of the amounts calculated under Subsection [~~subsection~~]

173-68 (a) during each of the following fiscal years:

173-69 (1) [~~in fiscal year 2006, 90 percent,~~

174-1 ~~[(2) in fiscal year 2007, 80 percent,~~
 174-2 ~~[(3) in fiscal year 2008, 70 percent,~~
 174-3 ~~[(4) in fiscal year 2009, 60 percent,~~
 174-4 ~~[(5) in fiscal year 2010, 50 percent,~~
 174-5 ~~[(6) in fiscal year 2011, 40 percent,~~
 174-6 ~~[(7) in fiscal year 2012, 30 percent,~~
 174-7 ~~[(8)] in fiscal year 2013, 20 percent;~~
 174-8 (2) ~~[(9)]~~ in fiscal year 2014, 10 percent;
 174-9 (3) ~~[(10)]~~ in fiscal year 2015 and succeeding years, 0
 174-10 percent.

174-11 (c) The county shall credit the amounts retained under
 174-12 Subsection (b) to the county road and bridge fund. Money credited
 174-13 to the fund under this section may only be used for:

- 174-14 (1) county road construction, maintenance, and
 174-15 repair;
 174-16 (2) bridge construction, maintenance, and repair;
 174-17 (3) the purchase of right-of-way for road or highway
 174-18 purposes; or
 174-19 (4) the relocation of utilities for road or highway
 174-20 purposes.

174-21 SECTION 33.116. Section 502.103, Transportation Code, is
 174-22 transferred to Subchapter E, Chapter 502, Transportation Code,
 174-23 renumbered as Section 502.1982, Transportation Code, and amended to
 174-24 read as follows:

174-25 Sec. 502.1982 ~~[502.103]~~. DISPOSITION OF OPTIONAL COUNTY
 174-26 ROAD AND BRIDGE FEE. Each Monday a county assessor-collector shall
 174-27 apportion the collections for the preceding week for a fee imposed
 174-28 under Section 502.401 ~~[502.172]~~ by:

- 174-29 (1) crediting an amount equal to 97 percent of the
 174-30 collections to the county road and bridge fund; and
 174-31 (2) sending to the department an amount equal to three
 174-32 percent of the collections to defray the department's costs of
 174-33 administering Section 502.401 ~~[502.172]~~.

174-34 SECTION 33.117. Section 502.106, Transportation Code, is
 174-35 transferred to Subchapter E, Chapter 502, Transportation Code,
 174-36 renumbered as Section 502.1983, Transportation Code, and amended to
 174-37 read as follows:

174-38 Sec. 502.1983 ~~[502.106]~~. DEPOSIT OF FEES IN
 174-39 INTEREST-BEARING ACCOUNT. (a) Except as provided by Section
 174-40 502.1982 ~~[Sections 502.103 and 502.104]~~, a county
 174-41 assessor-collector may:

- 174-42 (1) deposit the fees in an interest-bearing account or
 174-43 certificate in the county depository; and
 174-44 (2) send the fees to the department not later than the
 174-45 34th day after the date the fees are due ~~[under Section 502.104]~~.

174-46 (b) The county owns all interest earned on fees deposited
 174-47 under this section. The county treasurer shall credit the interest
 174-48 to the county general fund.

174-49 SECTION 33.118. Section 502.107, Transportation Code, is
 174-50 transferred to Subchapter E, Chapter 502, Transportation Code, and
 174-51 renumbered as Section 502.1984, Transportation Code, to read as
 174-52 follows:

174-53 Sec. 502.1984 ~~[502.107]~~. INTEREST ON FEES. (a) A fee
 174-54 required to be sent to the department under this chapter bears
 174-55 interest for the benefit of the state highway fund at an annual rate
 174-56 of 10 percent beginning on the 60th day after the date the county
 174-57 assessor-collector collects the fee.

174-58 (b) The department shall audit the registration and
 174-59 transfer fees collected and disbursed by each county
 174-60 assessor-collector and shall determine the exact amount of interest
 174-61 due on any fee not sent to the department.

174-62 (c) The state has a claim against a county
 174-63 assessor-collector and the sureties on the assessor-collector's
 174-64 official bond for the amount of interest due on a fee.

174-65 SECTION 33.119. Section 502.108, Transportation Code, is
 174-66 transferred to Subchapter E, Chapter 502, Transportation Code,
 174-67 renumbered as Section 502.1985, Transportation Code, and amended to
 174-68 read as follows:

174-69 Sec. 502.1985 ~~[502.108]~~. USE OF REGISTRATION FEES

175-1 RETAINED BY COUNTY. (a) Money credited to the county road and
 175-2 bridge fund under Section 502.198 [~~502.102~~] or 502.1982 [~~502.103~~]
 175-3 may not be used to pay the compensation of the county judge or a
 175-4 county commissioner. The money may be used only for the
 175-5 construction and maintenance of lateral roads in the county, under
 175-6 the supervision of the county engineer.

175-7 (b) If there is not a county engineer, the commissioners
 175-8 court of the county may require the services of the department's
 175-9 district engineer or resident engineer to supervise the
 175-10 construction and surveying of lateral roads in the county.

175-11 (c) A county may use money allocated to it under this
 175-12 chapter to:

175-13 (1) pay obligations issued in the construction or
 175-14 improvement of any roads, including state highways in the county;

175-15 (2) improve the roads in the county road system; or

175-16 (3) construct new roads.

175-17 (d) To the maximum extent possible, contracts for roads
 175-18 constructed by a county using funds provided under this chapter
 175-19 should be awarded by competitive bids.

175-20 SECTION 33.120. Section 502.110, Transportation Code, is
 175-21 transferred to Subchapter E, Chapter 502, Transportation Code, and
 175-22 renumbered as Section 502.1986, Transportation Code, to read as
 175-23 follows:

175-24 Sec. 502.1986 [~~502.110~~]. CONTINGENT PROVISION FOR
 175-25 DISTRIBUTION OF FEES BETWEEN STATE AND COUNTIES. If the method of
 175-26 distributing vehicle registration fees collected under this
 175-27 chapter between the state and counties is declared invalid because
 175-28 of inequality of collection or distribution of those fees, 60
 175-29 percent of each fee shall be distributed to the county collecting
 175-30 the fee and 40 percent shall be sent to the state in the manner
 175-31 provided by this chapter.

175-32 SECTION 33.121. The heading to Subchapter F, Chapter 502,
 175-33 Transportation Code, is amended to read as follows:

175-34 SUBCHAPTER F. REGULAR REGISTRATION FEES [~~SPECIALIZED LICENSE~~
 175-35 ~~PLATES, EXEMPTIONS FOR PRIVATELY OWNED VEHICLES~~]

175-36 SECTION 33.122. Section 502.160, Transportation Code, is
 175-37 transferred to Subchapter F, Chapter 502, Transportation Code,
 175-38 renumbered as Section 502.251, Transportation Code, and amended to
 175-39 read as follows:

175-40 Sec. 502.251 [~~502.160~~]. FEE: MOTORCYCLE OR MOPED. The
 175-41 fee for a registration year for registration of a motorcycle or
 175-42 moped is \$30.

175-43 SECTION 33.123. Section 502.161, Transportation Code, is
 175-44 transferred to Subchapter F, Chapter 502, Transportation Code,
 175-45 renumbered as Section 502.252, Transportation Code, and amended to
 175-46 read as follows:

175-47 Sec. 502.252 [~~502.161~~]. FEE: PASSENGER CAR, MUNICIPAL
 175-48 BUS, PRIVATE BUS, PRIVATELY OWNED FORMER MILITARY VEHICLE OR FIRE
 175-49 TRUCK. (a) The fee for a registration year for registration of a
 175-50 passenger car, a municipal bus, or a private bus that weighs 6,000
 175-51 pounds or less is:

175-52 (1) \$40.50 for a vehicle the model year of which is
 175-53 more than six years before the year in which the registration year
 175-54 begins;

175-55 (2) \$50.50 for a vehicle the model year of which is
 175-56 more than three years but is six years or less before the year in
 175-57 which the registration year begins; or

175-58 (3) \$58.50 for a vehicle the model year of which is
 175-59 three years or less before the year in which the registration year
 175-60 begins.

175-61 (b) The fee for a registration year for registration of a
 175-62 passenger car, a municipal bus, or a private bus that weighs more
 175-63 than 6,000 pounds is \$25 plus 60 cents for each 100 pounds.

175-64 (c) For registration purposes, the weight of a passenger
 175-65 car, a municipal bus, or a private bus is the weight generally
 175-66 accepted as its correct shipping weight plus 100 pounds.

175-67 (d) The fee for a registration year for registration of a
 175-68 privately owned former military vehicle or fire truck, including
 175-69 the plate, is \$15, unless eligible for the fee in accordance with

176-1 Section 504.502.
 176-2 (1) In this section:
 176-3 (A) "Fire truck" means a vehicle originally
 176-4 designed to assist in fighting fires, by transporting firefighters
 176-5 to the scene, and providing them with access to the fire, water, or
 176-6 other equipment.
 176-7 (B) "Former military vehicle" has the meaning
 176-8 assigned by Section 504.502.
 176-9 (C) "Privately owned" means being owned by a
 176-10 person other than a governmental entity. [In this section,
 176-11 "private bus" has the meaning assigned by Section 502.294.]

176-12 SECTION 33.124. Section 502.162, Transportation Code, is
 176-13 transferred to Subchapter F, Chapter 502, Transportation Code,
 176-14 renumbered as Section 502.253, Transportation Code, and amended to
 176-15 read as follows:

176-16 Sec. 502.253 [502.162]. FEE: COMMERCIAL MOTOR VEHICLE OR
 176-17 TRUCK-TRACTOR. [(a)] The fee for a registration year for
 176-18 registration of a commercial motor vehicle or truck-tractor is \$25
 176-19 plus an amount determined according to the vehicle's gross weight
 176-20 and tire equipment, as follows:

Gross weight in pounds	Fee for each 100 pounds or fraction of 100 pounds	
	Equipped with pneumatic tires	Equipped with solid tires
1-6,000	\$0.44	\$0.55
6,001-8,000	0.495	0.66
8,001-10,000	0.605	0.77
10,001-17,000	0.715	0.88
17,001-24,000	0.77	0.99
24,001-31,000	0.88	1.10
31,001 and over	0.99	1.32

176-33 ~~[(b) The gross weight of a vehicle is the actual weight of~~
 176-34 ~~the vehicle, fully equipped with a body and other equipment, as~~
 176-35 ~~certified by a public weigher or a license and weight inspector of~~
 176-36 ~~the Department of Public Safety, plus its net carrying capacity.~~

176-37 ~~[(c) The net carrying capacity of a vehicle other than a bus~~
 176-38 ~~is the heaviest net load to be carried on the vehicle, but not less~~
 176-39 ~~than the manufacturer's rated carrying capacity.~~

176-40 ~~[(d) The net carrying capacity of a bus is computed by~~
 176-41 ~~multiplying its seating capacity by 150 pounds. The seating~~
 176-42 ~~capacity of a bus is:~~

176-43 ~~[(1) the manufacturer's rated seating capacity,~~
 176-44 ~~excluding the operator's seat, or~~

176-45 ~~[(2) if the manufacturer has not rated the vehicle for~~
 176-46 ~~seating capacity, a number computed by allowing one passenger for~~
 176-47 ~~each 16 inches of seating on the bus, excluding the operator's~~
 176-48 ~~seat.]~~

176-49 SECTION 33.125. Section 502.166, Transportation Code, is
 176-50 transferred to Subchapter F, Chapter 502, Transportation Code,
 176-51 renumbered as Section 502.254, Transportation Code, and amended to
 176-52 read as follows:

176-53 Sec. 502.254 [502.166]. FEE: TRAILER OR SEMITRAILER.
 176-54 [(a)] The fee for a registration year for registration of a trailer
 176-55 or semitrailer is \$25 plus an amount determined according to the
 176-56 vehicle's gross weight and tire equipment, as follows:

Gross weight in pounds	Fee for each 100 pounds or fraction of 100 pounds
---------------------------	--

177-1			
177-2		Equipped with	Equipped with
177-3		pneumatic tires	solid tires
177-4	1-6,000	\$0.33	\$0.44
177-5	6,001-8,000	0.44	0.55
177-6	8,001-10,000	0.55	0.66
177-7	10,001-17,000	0.66	0.88
177-8	17,001 and over	0.715	0.99

177-9 ~~[(b) The gross weight of a trailer or semitrailer is the~~
 177-10 ~~actual weight of the vehicle, as certified by a public weigher or a~~
 177-11 ~~license and weight inspector of the Department of Public Safety,~~
 177-12 ~~plus its net carrying capacity.~~

177-13 ~~[(c) The net carrying capacity of a vehicle is the heaviest~~
 177-14 ~~net load to be carried on the vehicle, but not less than the~~
 177-15 ~~manufacturer's rated carrying capacity.~~

177-16 ~~[(d) The department may issue specially designed license~~
 177-17 ~~plates for rental trailers and travel trailers that include, as~~
 177-18 ~~appropriate, the words "rental trailer" or "travel trailer."~~

177-19 ~~[(e) In this section:~~
 177-20 ~~[(1) "Rental fleet" means five or more vehicles that~~
 177-21 ~~are:~~

177-22 ~~[(A) owned by the same owner,~~
 177-23 ~~[(B) offered for rent or rented without drivers,~~

177-24 ~~and~~
 177-25 ~~[(C) designated by the owner in the manner~~
 177-26 ~~prescribed by the department as a rental fleet.~~

177-27 ~~[(2) "Rental trailer" means a utility trailer that:~~
 177-28 ~~[(A) has a gross weight of 4,000 pounds or less,~~

177-29 ~~and~~
 177-30 ~~[(B) is part of a rental fleet.~~

177-31 ~~[(3) "Travel trailer" means a house trailer-type~~
 177-32 ~~vehicle or a camper trailer that is:~~

177-33 ~~[(A) less than eight feet in width or 40 feet in~~
 177-34 ~~length, exclusive of any hitch installed on the vehicle, and~~

177-35 ~~[(B) designed primarily for use as temporary~~
 177-36 ~~living quarters in connection with recreational, camping, travel,~~
 177-37 ~~or seasonal use and not as a permanent dwelling, provided that~~
 177-38 ~~"travel trailer" shall not include a utility trailer, enclosed~~
 177-39 ~~trailer, or other trailer not having human habitation as its~~
 177-40 ~~primary purpose.]~~

177-41 SECTION 33.126. Section 502.167, Transportation Code, is
 177-42 transferred to Subchapter F, Chapter 502, Transportation Code,
 177-43 renumbered as Section 502.255, Transportation Code, and amended to
 177-44 read as follows:

177-45 Sec. 502.255 [502.167]. TRUCK-TRACTOR OR COMMERCIAL MOTOR
 177-46 VEHICLE COMBINATION FEE; SEMITRAILER TOKEN FEE. (a) This section
 177-47 applies only to a truck-tractor or commercial motor vehicle with a
 177-48 gross vehicle weight [manufacturer's rated carrying capacity] of
 177-49 more than 18,000 pounds [one ton] that is used or is to be used in
 177-50 combination with a semitrailer that has a gross weight of more than
 177-51 6,000 pounds.

177-52 (b) Notwithstanding Section 502.253 [502.162], the fee for
 177-53 a registration year for registration of a truck-tractor or
 177-54 commercial motor vehicle is \$40 plus an amount determined according
 177-55 to the combined gross weight of the vehicles, as follows:

177-56		Fee for each 100 pounds
177-57		or
177-58	Combined gross weight	fraction of 100 pounds
177-59	in pounds	
177-60	18,000-36,000	\$0.60
177-61	36,001-42,000	0.75
177-62	42,001-62,000	0.90
177-63	62,001 and over	1.00

177-64 (c) Notwithstanding Section 502.254 [502.166], the fee for
 177-65 a registration year for registration of a semitrailer used in the

178-1 manner described by Subsection (a), regardless of the date the
178-2 semitrailer is registered, is:

178-3 (1) \$30, for a semitrailer being propelled by a power
178-4 unit for which a permit under Section 623.011 has been issued; or

178-5 (2) \$15, for a semitrailer being propelled by a power
178-6 unit for which a permit under Section 623.011 has not been issued.

178-7 (d) A registration made under Subsection (c) is valid only
178-8 when the semitrailer is used in the manner described by Subsection
178-9 (a).

178-10 (e) For registration purposes, a semitrailer converted to a
178-11 trailer by means of an auxiliary axle assembly retains its status as
178-12 a semitrailer.

178-13 (f) A combination of vehicles may not be registered under
178-14 this section for a combined gross weight of less than 18,000 pounds.

178-15 (g) This section does not apply to:

178-16 (1) a combination of vehicles that includes a vehicle
178-17 that has a distinguishing license plate under Section 502.146
178-18 [~~504.504~~];

178-19 (2) a truck-tractor or commercial motor vehicle
178-20 registered or to be registered with \$5 distinguishing license
178-21 plates for which the vehicle is eligible under this chapter;

178-22 (3) a truck-tractor or commercial motor vehicle used
178-23 exclusively in combination with a semitrailer of the travel trailer
178-24 [~~housetrailer~~] type; or

178-25 (4) a vehicle registered or to be registered:

178-26 (A) with a temporary registration permit;

178-27 (B) under Section 502.433 [~~502.163~~]; or

178-28 (C) under Section 502.435 [~~502.188~~].

178-29 (h) The department may adopt rules to administer this
178-30 section.

178-31 (i) The department may issue specially designed license
178-32 plates for token trailers.

178-33 (j) A person may register a semitrailer under this section
178-34 for a registration period of five consecutive years if the person:

178-35 (1) applies to the department for the five-year
178-36 registration;

178-37 (2) provides proof of the person's eligibility to
178-38 register the vehicle under this subsection as required by the
178-39 department; and

178-40 (3) pays a fee of \$15, plus any applicable fee under
178-41 Section 502.401 [~~502.172~~], for each year included in the
178-42 registration period.

178-43 (k) If during the five-year registration period for a
178-44 vehicle registered under Subsection (j) the amount of a fee imposed
178-45 under that subsection is increased, the owner of the vehicle is
178-46 liable to the department for the amount of the increase. If the
178-47 amount of a fee is decreased, the owner of the vehicle is not
178-48 entitled to a refund.

178-49 [~~(1) In this section:~~

178-50 [~~(1) "Combined gross weight" means the empty weight of~~
178-51 ~~the truck-tractor or commercial motor vehicle combined with the~~
178-52 ~~empty weight of the heaviest semitrailer used or to be used in~~
178-53 ~~combination with the truck-tractor or commercial motor vehicle plus~~
178-54 ~~the heaviest net load to be carried on the combination during the~~
178-55 ~~registration year.~~

178-56 [~~(2) "Empty weight" means the unladen weight of the~~
178-57 ~~truck-tractor or commercial motor vehicle and semitrailer~~
178-58 ~~combination fully equipped, as certified by a public weigher or~~
178-59 ~~license and weight inspector of the Department of Public Safety.~~

178-60 [~~(3) "Token trailer" means a semitrailer that:~~

178-61 [~~(A) has a gross weight of more than 6,000~~
178-62 ~~pounds, and~~

178-63 [~~(B) is operated in combination with a truck or a~~
178-64 ~~truck-tractor that has been issued:~~

178-65 [~~(i) an apportioned license plate,~~

178-66 [~~(ii) a combination license plate, or~~

178-67 [~~(iii) a forestry vehicle license plate.~~

178-68 [~~(4) "Apportioned license plate" means a license plate~~
178-69 ~~issued in lieu of truck license plates or combination license~~

179-1 ~~plates to a motor carrier in this state who proportionally~~
 179-2 ~~registers a vehicle owned by the carrier in one or more other~~
 179-3 ~~states.~~

179-4 ~~[(5) "Combination license plate" means a license plate~~
 179-5 ~~issued for a truck or truck tractor that:~~

179-6 ~~[(A) has a manufacturer's rated carrying~~
 179-7 ~~capacity of more than one ton; and~~

179-8 ~~[(B) is used or intended to be used in~~
 179-9 ~~combination with a semitrailer that has a gross weight of more than~~
 179-10 ~~6,000 pounds.]~~

179-11 SECTION 33.127. Section 502.165, Transportation Code, is
 179-12 transferred to Subchapter F, Chapter 502, Transportation Code, and
 179-13 renumbered as Section 502.256, Transportation Code, to read as
 179-14 follows:

179-15 Sec. 502.256 [~~502.165~~]. FEE: ROAD TRACTOR. The fee for a
 179-16 registration year for registration of a road tractor is \$25 plus an
 179-17 amount determined according to the vehicle's weight as certified by
 179-18 a public weigher or a license and weight inspector of the Department
 179-19 of Public Safety, as follows:

Gross weight in pounds	Fee for each 100 pounds or fraction of 100 pounds
1-4,000	\$0.275
4,001-6,000	0.55
6,001-8,000	0.66
8,001-10,000	0.825
10,001 and over	1.10

179-30 SECTION 33.128. The heading to Subchapter G, Chapter 502,
 179-31 Transportation Code, is amended to read as follows:

179-32 SUBCHAPTER G. ADDITIONAL FEES [~~TEMPORARY REGISTRATION~~]

179-33 SECTION 33.129. Section 502.1705, Transportation Code, is
 179-34 transferred to Subchapter G, Chapter 502, Transportation Code,
 179-35 renumbered as Section 502.356, Transportation Code, and amended to
 179-36 read as follows:

179-37 Sec. 502.356 [~~502.1705~~]. [~~ADDITIONAL FEE FOR~~] AUTOMATED
 179-38 REGISTRATION AND TITLING [~~TITLE~~] SYSTEM. (a) In addition to other
 179-39 registration fees for a license plate or set of license plates or
 179-40 other device used as the registration insignia, a fee of \$1 shall be
 179-41 collected.

179-42 (b) The department may use money collected under this
 179-43 section to enhance and provide [~~perform one or more of the~~
 179-44 ~~following:~~

179-45 ~~[(1) enhancing the department's automated~~
 179-46 ~~registration and title system;~~

179-47 ~~[(2) providing for the automated on-site production of~~
 179-48 ~~registration insignia; or~~

179-49 ~~[(3) providing] for automated on-premises and~~
 179-50 ~~off-premises [self-service] registration and titling related~~
 179-51 ~~services.~~

179-52 (c) This section applies only in a county in which the
 179-53 department's automated registration and title system has been
 179-54 implemented and in which 50,000 or more motor vehicles were
 179-55 registered during the preceding year.

179-56 SECTION 33.130. Section 502.1715, Transportation Code, as
 179-57 amended by Chapters 892 (S.B. 1670) and 1108 (H.B. 2337), Acts of
 179-58 the 79th Legislature, Regular Session, 2005, is transferred to
 179-59 Subchapter G, Chapter 502, Transportation Code, renumbered as
 179-60 Section 502.357, Transportation Code, and reenacted and amended to
 179-61 read as follows:

179-62 Sec. 502.357 [~~502.1715~~]. FINANCIAL RESPONSIBILITY
 179-63 [~~ADDITIONAL FEE FOR CERTAIN DEPARTMENT~~] PROGRAMS. (a) In

179-64 addition to other fees imposed for registration of a motor vehicle,
 179-65 at the time of application for registration or renewal of
 179-66 registration of a motor vehicle for which the owner is required to
 179-67 submit evidence of financial responsibility under Section 502.046
 179-68 [~~502.153~~], the applicant shall pay a fee of \$1. In addition to other
 179-69 fees imposed for registration of a motor vehicle, at the time of

180-1 application for registration of a motor vehicle that is subject to
 180-2 Section 501.0234, the applicant shall pay a fee of \$1. Fees
 180-3 collected under this section shall be remitted weekly to the
 180-4 department.

180-5 (b) Fees collected under this section shall be deposited to
 180-6 the credit of the state highway fund. Subject to appropriations,
 180-7 the money shall be used by the Department of Public Safety to:

180-8 (1) support the Department of Public Safety's
 180-9 reengineering of the driver's license system to provide for the
 180-10 issuance by the Department of Public Safety of a driver's license or
 180-11 personal identification certificate, to include use of image
 180-12 comparison technology;

180-13 (2) establish and maintain a system to support the
 180-14 driver responsibility program under Chapter 708; and

180-15 (3) make lease payments to the master lease purchase
 180-16 program for the financing of the driver's license reengineering
 180-17 project.

180-18 (c) Fees collected under this section shall be deposited to
 180-19 the credit of the state highway fund. Subject to appropriation, the
 180-20 money may be used by the Department of Public Safety, the Texas
 180-21 Department of Insurance, the Department of Information Resources,
 180-22 and the department to carry out Subchapter N, Chapter 601.

180-23 (d) The Department of Public Safety, the Texas Department of
 180-24 Insurance, the Department of Information Resources, and the
 180-25 department shall jointly adopt rules and develop forms necessary to
 180-26 administer this section.

180-27 SECTION 33.131. Section 502.1675, Transportation Code, is
 180-28 transferred to Subchapter G, Chapter 502, Transportation Code,
 180-29 renumbered as Section 502.358, Transportation Code, and amended to
 180-30 read as follows:

180-31 Sec. 502.358 [~~502.1675~~]. TEXAS EMISSIONS REDUCTION PLAN
 180-32 SURCHARGE. (a) In addition to the registration fees charged under
 180-33 Section 502.255 [~~502.167~~], a surcharge is imposed on the
 180-34 registration of a truck-tractor or commercial motor vehicle under
 180-35 that section in an amount equal to 10 percent of the total fees due
 180-36 for the registration of the truck-tractor or commercial motor
 180-37 vehicle under that section.

180-38 (b) The county tax assessor-collector shall remit the
 180-39 surcharge collected under this section to the comptroller at the
 180-40 time and in the manner prescribed by the comptroller for deposit in
 180-41 the Texas emissions reduction plan fund.

180-42 (c) This section expires August 31, 2013.

180-43 SECTION 33.132. Section 502.171, Transportation Code, is
 180-44 transferred to Subchapter G, Chapter 502, Transportation Code,
 180-45 renumbered as Section 502.359, Transportation Code, and amended to
 180-46 read as follows:

180-47 Sec. 502.359 [~~502.171~~]. ADDITIONAL FEE FOR CERTAIN
 180-48 VEHICLES USING DIESEL MOTOR. (a) The registration fee under this
 180-49 chapter for a motor vehicle other than a passenger car, a truck with
 180-50 a gross vehicle weight [~~manufacturer's rated carrying capacity~~] of
 180-51 18,000 pounds [~~two tons~~] or less, or a vehicle registered in
 180-52 combination under Section 502.255 [~~502.167~~] is increased by 11
 180-53 percent if the vehicle has a diesel motor.

180-54 (b) ~~The [A county assessor-collector shall show on the]~~
 180-55 registration receipt for a motor vehicle, other than a passenger
 180-56 car or a truck with a gross vehicle weight [~~manufacturer's rated~~
 180-57 ~~carrying capacity~~] of 18,000 pounds [~~two tons~~] or less, must show
 180-58 that the vehicle has a diesel motor.

180-59 (c) The department may adopt rules to administer this
 180-60 section.

180-61 SECTION 33.133. Section 502.170, Transportation Code, is
 180-62 transferred to Subchapter G, Chapter 502, Transportation Code, and
 180-63 renumbered as Section 502.360, Transportation Code, to read as
 180-64 follows:

180-65 Sec. 502.360 [~~502.170~~]. ADDITIONAL FEE FOR REFLECTORIZED
 180-66 LICENSE PLATES. (a) In addition to the other registration fees
 180-67 for a license plate or set of license plates or other device used as
 180-68 the registration insignia, 30 cents shall be collected.

180-69 (b) The department shall use money collected under this

181-1 section to purchase equipment and material for the production and
181-2 manufacture of reflectorized license plates.

181-3 SECTION 33.134. The heading to Subchapter H, Chapter 502,
181-4 Transportation Code, is amended to read as follows:

181-5 SUBCHAPTER H. OPTIONAL FEES [~~OFFENSES AND PENALTIES~~]

181-6 SECTION 33.135. Section 502.172, Transportation Code, is
181-7 transferred to Subchapter H, Chapter 502, Transportation Code,
181-8 renumbered as Section 502.401, Transportation Code, and amended to
181-9 read as follows:

181-10 Sec. 502.401 [~~502.172~~]. OPTIONAL COUNTY FEE FOR ROAD AND
181-11 BRIDGE FUND. (a) The commissioners court of a county by order may
181-12 impose an additional fee, not to exceed \$10, for registering a
181-13 vehicle in the county.

181-14 (b) A vehicle that may be registered under this chapter
181-15 without payment of a registration fee may be registered in a county
181-16 imposing a fee under this section without payment of the additional
181-17 fee.

181-18 (c) A fee imposed under this section may take effect only on
181-19 January 1 of a year. The county must adopt the order and notify the
181-20 department not later than September 1 of the year preceding the year
181-21 in which the fee takes effect.

181-22 (d) A fee imposed under this section may be removed. The
181-23 removal may take effect only on January 1 of a year. A county may
181-24 remove the fee only by:

181-25 (1) rescinding the order imposing the fee; and

181-26 (2) notifying the department not later than September
181-27 1 of the year preceding the year in which the removal takes effect.

181-28 (e) The county assessor-collector of a county imposing a fee
181-29 under this section shall collect the additional fee for a vehicle
181-30 when other fees imposed under this chapter are collected.

181-31 (f) The department shall collect the additional fee on a
181-32 vehicle that is owned by a resident of a county imposing a fee under
181-33 this section [~~and~~] that [~~, under this chapter,~~] must be registered
181-34 directly with the department. The department shall send all fees
181-35 collected for a county under this subsection to the county
181-36 treasurer to be credited to the county road and bridge fund.

181-37 (g) The department shall adopt rules [~~and develop forms~~]
181-38 necessary to administer registration [~~by mail~~] for a vehicle being
181-39 registered in a county imposing a fee under this section.

181-40 SECTION 33.136. Section 502.1725, Transportation Code, is
181-41 transferred to Subchapter H, Chapter 502, Transportation Code,
181-42 renumbered as Section 502.402, Transportation Code, and amended to
181-43 read as follows:

181-44 Sec. 502.402 [~~502.1725~~]. OPTIONAL COUNTY FEE FOR
181-45 TRANSPORTATION PROJECTS. (a) This section applies only to a
181-46 county:

181-47 (1) that borders the United Mexican States;

181-48 (2) that has a population of more than 300,000; and

181-49 (3) in which the largest municipality has a population
181-50 of less than 300,000.

181-51 (b) The commissioners court of a county by order may impose
181-52 an additional fee, not to exceed \$10, for [~~registering~~] a vehicle
181-53 registered in the county.

181-54 (c) A vehicle that may be registered under this chapter
181-55 without payment of a registration fee may be registered [~~in a county~~
181-56 ~~imposing a fee~~] under this section without payment of the
181-57 additional fee.

181-58 (d) A fee imposed under this section may take effect [~~only~~
181-59 ~~on January 1 of a year. The county must adopt the order~~] and
181-60 [~~notify the department not later than September 1 of the year~~
181-61 ~~preceding the year in which the fee takes effect.~~

181-62 [~~(e) A fee imposed under this section may~~] be removed in
181-63 accordance with Section 502.401 requirements[~~. The removal may~~
181-64 ~~take effect only on January 1 of a year. A county may remove the fee~~
181-65 ~~only by:~~

181-66 [~~(1) rescinding the order imposing the fee; and~~

181-67 [~~(2) notifying the department not later than September~~
181-68 ~~1 of the year preceding the year in which the removal takes effect~~].

181-69 (e) [~~(f)~~] The [~~county assessor-collector of a county~~

182-1 ~~imposing a fee under this section shall collect the~~ additional fee
 182-2 shall be collected for a vehicle when other fees imposed under this
 182-3 chapter are collected. The ~~[county shall send the]~~ fee revenue
 182-4 collected shall be sent to the regional mobility authority of the
 182-5 county to fund long-term transportation projects in the county.

182-6 ~~(f) [(g) The department shall collect the additional fee~~
 182-7 ~~on a vehicle that is owned by a resident of a county imposing a fee~~
 182-8 ~~under this section and that, under this chapter, must be registered~~
 182-9 ~~directly with the department. The department shall send all fees~~
 182-10 ~~collected for a county under this subsection to the regional~~
 182-11 ~~mobility authority of the county to fund long-term transportation~~
 182-12 ~~projects in the county.~~

182-13 ~~[(h)]~~ The department shall adopt rules ~~[and develop forms]~~
 182-14 necessary to administer registration ~~[by mail]~~ for a vehicle being
 182-15 registered in a county imposing a fee under this section.

182-16 SECTION 33.137. Section 502.173, Transportation Code, is
 182-17 transferred to Subchapter H, Chapter 502, Transportation Code,
 182-18 renumbered as Section 502.403, Transportation Code, and amended to
 182-19 read as follows:

182-20 Sec. 502.403 ~~[502.173]~~. OPTIONAL COUNTY FEE FOR CHILD
 182-21 SAFETY. (a) The commissioners court of a county that has a
 182-22 population greater than 1.3 million and in which a municipality
 182-23 with a population of more than one million is primarily located may
 182-24 impose by order an additional fee of not less than 50 cents or more
 182-25 than \$1.50 for ~~[registering]~~ a vehicle registered in the county.
 182-26 The commissioners court of any other county may impose by order an
 182-27 additional fee of not more than \$1.50 for registering a vehicle in
 182-28 the county.

182-29 (b) A vehicle that may be registered under this chapter
 182-30 without payment of a registration fee may be registered ~~[in a county~~
 182-31 ~~imposing a fee under this section]~~ without payment of the
 182-32 additional fee.

182-33 (c) A fee imposed under this section may take effect ~~[only~~
 182-34 ~~on January 1 of a year. The county must adopt the order]~~ and ~~[notify~~
 182-35 ~~the department not later than September 10 of the year preceding the~~
 182-36 ~~year in which the fee takes effect.~~

182-37 ~~[(d) A fee imposed under this section may]~~ be removed in
 182-38 accordance with the provisions of Section 502.401 ~~[- The removal~~
 182-39 ~~may take effect only on January 1 of a year. A county may remove the~~
 182-40 ~~fee only by:~~

182-41 ~~[(1) rescinding the order imposing the fee, and~~
 182-42 ~~[(2) notifying the department not later than September~~
 182-43 ~~1 of the year preceding the year in which the removal takes effect].~~

182-44 ~~(d) [(e)]~~ The ~~[county assessor-collector of a county~~
 182-45 ~~imposing a fee under this section shall collect the]~~ additional fee
 182-46 shall be collected for a vehicle when other fees imposed under this
 182-47 chapter are collected.

182-48 ~~(e) [(f)]~~ A county imposing a fee under this section may
 182-49 deduct for administrative costs an amount of not more than 10
 182-50 percent of the revenue it receives from the fee. The county may
 182-51 also deduct from the fee revenue an amount proportional to the
 182-52 percentage of county residents who live in unincorporated areas of
 182-53 the county. After making the deductions provided for by this
 182-54 subsection, the county shall send the remainder of the fee revenue
 182-55 to the municipalities in the county according to their population.

182-56 ~~(f) [(g)]~~ A municipality with a population greater than
 182-57 850,000 shall deposit revenue from a fee imposed under this
 182-58 subsection to the credit of the child safety trust fund created
 182-59 under Section 106.001, Local Government Code. A municipality with a
 182-60 population less than 850,000 shall use revenue from a fee imposed
 182-61 under this section in accordance with Subsection (f), Article
 182-62 102.014, Code of Criminal Procedure.

182-63 ~~(g) [(h)]~~ After deducting administrative costs, a county
 182-64 may use revenue from a fee imposed under this section only for a
 182-65 purpose permitted by Subsection (g), Article 102.014, Code of
 182-66 Criminal Procedure.

182-67 SECTION 33.138. Section 502.174, Transportation Code, is
 182-68 transferred to Subchapter H, Chapter 502, Transportation Code,
 182-69 renumbered as Section 502.404, Transportation Code, and amended to

183-1 read as follows:

183-2 Sec. 502.404 [~~502.174~~]. VOLUNTARY ASSESSMENT FOR YOUNG
183-3 FARMER LOAN GUARANTEES. (a) When a person registers a commercial
183-4 motor vehicle under Section 502.433 [~~502.163~~], the person shall pay
183-5 a voluntary assessment of \$5.

183-6 (b) The county assessor-collector shall send an assessment
183-7 collected under this section to the comptroller, at the time and in
183-8 the manner prescribed by the Texas Agricultural Finance Authority,
183-9 for deposit in the Texas agricultural fund to the credit of the
183-10 young farmer loan guarantee account.

183-11 (c) The Texas Agricultural Finance Authority shall
183-12 prescribe procedures under which an assessment collected under this
183-13 section may be refunded. The county assessor-collector of the
183-14 county in which an assessment is collected shall:

183-15 (1) implement the refund procedures; and

183-16 (2) provide notice of those procedures to a person
183-17 paying an assessment at the time of payment.

183-18 SECTION 33.139. Section 502.1745, Transportation Code, is
183-19 transferred to Subchapter H, Chapter 502, Transportation Code,
183-20 renumbered as Section 502.405, Transportation Code, and amended to
183-21 read as follows:

183-22 Sec. 502.405 [~~502.1745~~]. DONOR EDUCATION, AWARENESS, AND
183-23 REGISTRY PROGRAM [~~VOLUNTARY FEE~~]. (a) The department shall
183-24 provide to each county assessor-collector the educational
183-25 materials for prospective donors provided as required by the Donor
183-26 Education, Awareness, and Registry Program of Texas under Chapter
183-27 49, Health and Safety Code. ~~The [A county assessor-collector shall~~
183-28 ~~make the]~~ educational materials shall be made available in each
183-29 office authorized to accept applications for registration of motor
183-30 vehicles.

183-31 (b) A person may elect to pay [~~county assessor-collector~~
183-32 ~~shall collect]~~ an additional fee of \$1 for the registration or
183-33 renewal of registration of a motor vehicle to pay the costs of the
183-34 Donor Education, Awareness, and Registry Program of Texas,
183-35 established under Chapter 49, Health and Safety Code, and of the
183-36 Texas Organ, Tissue, and Eye Donor Council, established under
183-37 Chapter 113, Health and Safety Code [~~if the person registering or~~
183-38 ~~renewing the registration of a motor vehicle opts to pay the~~
183-39 ~~additional fee]. Notwithstanding any other provision of this~~
183-40 chapter, the county assessor-collector shall remit all fees
183-41 collected under this subsection to the comptroller, who shall
183-42 maintain the identity of the source of the fees.

183-43 (c) Three percent of all money collected under this section
183-44 may be appropriated only to the department to administer this
183-45 section.

183-46 SECTION 33.140. The heading to Subchapter I, Chapter 502,
183-47 Transportation Code, is amended to read as follows:

183-48 SUBCHAPTER I. ALTERNATE REGISTRATION FEES [~~TRANSFER AND REMOVAL OF~~
183-49 ~~LICENSE PLATES FOR THE SALE OR TRANSFER OF USED VEHICLES~~]

183-50 SECTION 33.141. Section 502.164, Transportation Code, is
183-51 transferred to Subchapter I, Chapter 502, Transportation Code, and
183-52 renumbered as Section 502.431, Transportation Code, to read as
183-53 follows:

183-54 Sec. 502.431 [~~502.164~~]. FEE: MOTOR VEHICLE USED
183-55 EXCLUSIVELY TO TRANSPORT AND SPREAD FERTILIZER. The fee for a
183-56 registration year for registration of a motor vehicle designed or
183-57 modified and used exclusively to transport to the field and spread
183-58 fertilizer, including agricultural limestone, is \$75.

183-59 SECTION 33.142. Section 502.1586, Transportation Code, is
183-60 transferred to Subchapter I, Chapter 502, Transportation Code,
183-61 renumbered as Section 502.432, Transportation Code, and amended to
183-62 read as follows:

183-63 Sec. 502.432 [~~502.1586~~]. [~~REGISTRATION PERIOD FOR~~
183-64 ~~TRUCK-TRACTOR OR COMMERCIAL MOTOR]~~ VEHICLE TRANSPORTING SEASONAL
183-65 AGRICULTURAL PRODUCTS. (a) The department shall provide for a
183-66 monthly registration period for a truck-tractor or a commercial
183-67 motor vehicle that:

183-68 (1) is used exclusively to transport a seasonal
183-69 agricultural product; and

184-1 (2) would otherwise be registered for a vehicle
184-2 registration year.

184-3 (b) The department shall ~~[adopt forms for registration~~
184-4 ~~under this section. An applicant must indicate the number of months~~
184-5 ~~registration is applied for.~~

184-6 ~~[(c) The department shall design,]~~ prescribe ~~[, and~~
184-7 ~~furnish]~~ a registration receipt that is valid until the expiration
184-8 of the designated registration period.

184-9 (c) ~~[(d)]~~ The registration fee for a registration under
184-10 this section is computed at a rate of one-twelfth the annual
184-11 registration fee under Section 502.253 ~~[502.162]~~, 502.433
184-12 ~~[502.163]~~, or 502.255 ~~[502.167]~~, as applicable, multiplied by the
184-13 number of months in the registration period specified in the
184-14 application for the registration, which may not be less than one
184-15 month or longer than six months.

184-16 (d) ~~[(e) A person issued a registration under this section~~
184-17 ~~commits an offense if the person, during the registration period~~
184-18 ~~for the truck tractor or commercial motor vehicle, uses the~~
184-19 ~~truck tractor or commercial motor vehicle for a purpose other than~~
184-20 ~~to transport a seasonal agricultural product.~~

184-21 ~~[(f) A truck tractor or commercial motor vehicle may not be~~
184-22 ~~registered under this section for a registration period that is~~
184-23 ~~less than one month or longer than six months.~~

184-24 ~~[(g)]~~ For purposes of this section, "to transport a seasonal
184-25 agricultural product" includes any transportation activity
184-26 necessary for the production, harvest, or delivery of an
184-27 agricultural product that is produced seasonally.

184-28 SECTION 33.143. Section 502.163, Transportation Code, is
184-29 transferred to Subchapter I, Chapter 502, Transportation Code,
184-30 renumbered as Section 502.433, Transportation Code, and amended to
184-31 read as follows:

184-32 Sec. 502.433 ~~[502.163]~~. FEE: COMMERCIAL FARM MOTOR
184-33 VEHICLE ~~[USED PRIMARILY FOR FARM PURPOSES, OFFENSE]~~. (a) The
184-34 registration fee for a commercial motor vehicle as a farm vehicle is
184-35 50 percent of the applicable fee under Section 502.253 ~~[502.162]~~ if
184-36 the vehicle's owner will use the vehicle for commercial purposes
184-37 only to transport:

184-38 (1) the person's own poultry, dairy, livestock,
184-39 livestock products, timber in its natural state, or farm products
184-40 to market or another place for sale or processing;

184-41 (2) laborers from their place of residence to the
184-42 owner's farm or ranch; or

184-43 (3) without charge, materials, tools, equipment, or
184-44 supplies from the place of purchase or storage to the owner's farm
184-45 or ranch exclusively for the owner's use or for use on the farm or
184-46 ranch.

184-47 (b) A commercial motor vehicle may be registered under this
184-48 section despite its use for transporting without charge the owner
184-49 or a member of the owner's family:

184-50 (1) to attend church or school;

184-51 (2) to visit a doctor for medical treatment or
184-52 supplies; or

184-53 (3) for other necessities of the home or family.

184-54 (c) Subsection (b) does not permit the use of a vehicle
184-55 registered under this section in connection with gainful employment
184-56 other than farming or ranching.

184-57 (d) The department shall provide distinguishing license
184-58 plates for a vehicle registered under this section.

184-59 (e) The owner of a commercial motor vehicle registered under
184-60 this section commits an offense if the person uses or permits to be
184-61 used the vehicle for a purpose other than one permitted by this
184-62 section. Each use or permission for use in violation of this
184-63 section is a separate offense.

184-64 ~~[(f) An offense under this section is a misdemeanor~~
184-65 ~~punishable by a fine of not less than \$25 or more than \$200.]~~

184-66 SECTION 33.144. Section 502.351, Transportation Code, is
184-67 transferred to Subchapter I, Chapter 502, Transportation Code,
184-68 renumbered as Section 502.434, Transportation Code, and amended to
184-69 read as follows:

Sec. 502.434 [~~502.351~~]. FARM VEHICLES: EXCESS WEIGHT. (a)

The owner of a registered commercial motor vehicle, truck-tractor, trailer, or semitrailer may obtain a short-term permit to haul loads of a weight more than that for which the vehicle is registered by paying an additional fee before the additional weight is hauled to transport:

(1) the person's own seasonal agricultural products to market or another point for sale or processing;

(2) seasonal laborers from their place of residence to a farm or ranch; or

(3) materials, tools, equipment, or supplies, without charge, from the place of purchase or storage to a farm or ranch exclusively for use on the farm or ranch.

(b) A permit may not be issued under this section for a period that is less than one month or that:

(1) is greater than one year; or

(2) extends beyond the expiration of the registration year for the vehicle.

(c) A permit issued under this section for a quarter must be for a calendar quarter.

(d) The fee for a permit under this section is a percentage of the difference between the registration fee otherwise prescribed [~~by this chapter~~] for the vehicle and the annual fee for the desired weight, as follows:

One month (30 consecutive days)	10 percent
One quarter	30 percent
Two quarters	60 percent
Three quarters	90 percent

(e) The department shall design, prescribe, and furnish a sticker, plate, or other means of indicating the additional weight and the registration period for each vehicle registered under this section.

SECTION 33.145. Section 502.188, Transportation Code, is transferred to Subchapter I, Chapter 502, Transportation Code, renumbered as Section 502.435, Transportation Code, and amended to read as follows:

Sec. 502.435 [~~502.188~~]. CERTAIN SOIL CONSERVATION EQUIPMENT. (a) The owner of a truck-tractor, semitrailer, or low-boy trailer used on a highway exclusively to transport the owner's soil conservation machinery or equipment used in clearing real property, terracing, or building farm ponds, levees, or ditches may register the vehicle for a fee equal to 50 percent of the fee otherwise prescribed by this chapter for the vehicle.

(b) An owner may register only one truck-tractor and only one semitrailer or low-boy trailer under this section.

(c) An owner [~~applying for registration under this section~~] must certify [~~submit a statement~~] that the vehicle is to be used only as provided by Subsection (a).

(d) The registration receipt issued for a vehicle registered under this section must be carried in or on the vehicle and [~~shall~~] state the nature of the operation for which the vehicle may be used. [~~The receipt must be carried at all times in or on the vehicle to permit ready inspection.~~]

(e) A vehicle to which this section applies that is operated on a public highway in violation of this section is considered to be operated while unregistered and is immediately subject to the applicable registration fees and penalties prescribed by this chapter.

SECTION 33.146. Chapter 502, Transportation Code, is amended by adding Subchapter J to read as follows:

SUBCHAPTER J. REGISTRATIONS EXEMPT FROM FEES

SECTION 33.147. Section 502.201, Transportation Code, is transferred to Subchapter J, Chapter 502, Transportation Code, as added by this Act, renumbered as Section 502.451, Transportation Code, and amended to read as follows:

Sec. 502.451 [~~502.201~~]. [~~LICENSE PLATES FOR~~] EXEMPT VEHICLES. (a) Before license plates are issued or delivered to the owner of a vehicle that is exempt by law from payment of registration fees, the department must approve the application for

186-1 registration. The department may not approve an application if
186-2 there is the appearance that:

186-3 (1) the vehicle was transferred to the owner or
186-4 purported owner:

186-5 (A) for the sole purpose of evading the payment
186-6 of registration fees; or

186-7 (B) in bad faith; or

186-8 (2) the vehicle is not being used in accordance with
186-9 the exemption requirements.

186-10 (b) The department shall revoke the registration of a
186-11 vehicle issued license plates under this section and may recall the
186-12 plates if the vehicle is no longer:

186-13 (1) owned and operated by the person whose ownership
186-14 of the vehicle qualified the vehicle for the exemption; or

186-15 (2) used in accordance with the exemption
186-16 requirements.

186-17 (c) The owner of a vehicle described by Subsection (b) shall
186-18 return the license plates and registration receipt to the
186-19 department for cancellation.

186-20 (d) The department shall provide by rule for the issuance of
186-21 specially designated license plates for vehicles that are exempt by
186-22 law. Except as provided by Subsection (g), the license plates must
186-23 bear the word "exempt."

186-24 (e) A license plate under Subsection (d) is not issued
186-25 annually, but remains on the vehicle until:

186-26 (1) the registration is revoked as provided by
186-27 Subsection (b); or

186-28 (2) the plate is lost, stolen, or mutilated.

186-29 (f) A person who operates on a public highway a vehicle
186-30 after the registration has been revoked is liable for the penalties
186-31 for failing to register a vehicle.

186-32 (g) The department shall provide by rule for the issuance of
186-33 regularly designed license plates not bearing the word "exempt" for
186-34 a vehicle that is exempt by law and that is:

186-35 (1) a law enforcement vehicle, if the agency certifies
186-36 to the department that the vehicle will be dedicated to law
186-37 enforcement activities;

186-38 (2) a vehicle exempt from inscription requirements
186-39 under a rule adopted as provided by Section 721.003; or

186-40 (3) a vehicle exempt from inscription requirements
186-41 under an order or ordinance adopted by a governing body of a
186-42 municipality or commissioners court of a county as provided by
186-43 Section 721.005, if the applicant presents a copy of the order or
186-44 ordinance.

186-45 SECTION 33.148. Section 502.2015, Transportation Code, is
186-46 transferred to Subchapter J, Chapter 502, Transportation Code, as
186-47 added by this Act, renumbered as Section 502.452, Transportation
186-48 Code, and amended to read as follows:

186-49 Sec. 502.452 [~~502.2015~~]. LIMITATION ON ISSUANCE OF EXEMPT
186-50 LICENSE PLATES; SEIZURE OF CERTAIN VEHICLES. (a) The department
186-51 may not issue exempt license plates for a vehicle owned by the
186-52 United States, this state, or a political subdivision of this state
186-53 unless when application is made for registration of the vehicle,
186-54 the person who under Section 502.453 [~~502.202~~] has authority to
186-55 certify to the department that the vehicle qualifies for
186-56 registration under that section also certifies in writing to the
186-57 department that there is printed on each side of the vehicle, in
186-58 letters that are at least two inches high or in an emblem that is at
186-59 least 100 square inches in size, the name of the agency, department,
186-60 bureau, board, commission, or officer of the United States, this
186-61 state, or the political subdivision of this state that has custody
186-62 of the vehicle. The letters or emblem must be of a color
186-63 sufficiently different from the body of the vehicle to be clearly
186-64 legible from a distance of 100 feet.

186-65 (b) The department may not issue exempt license plates for a
186-66 vehicle owned by a person other than the United States, this state,
186-67 or a political subdivision of this state unless, when application
186-68 is made for registration of the vehicle, the person who under
186-69 Section 502.453 [~~502.202~~] has authority to certify to the

187-1 department that the vehicle qualifies for registration under that
 187-2 section also certifies in writing to the department that the name of
 187-3 the owner of the vehicle is printed on the vehicle in the manner
 187-4 prescribed by Subsection (a).

187-5 (c) A peace officer listed in Article 2.12, Code of Criminal
 187-6 Procedure, may seize a motor vehicle displaying exempt license
 187-7 plates if the vehicle is:

187-8 (1) operated on a public highway; and
 187-9 (2) not identified in the manner prescribed by
 187-10 Subsection (a) or (b), unless the vehicle is covered by Subsection
 187-11 (f).

187-12 (d) A peace officer who seizes a motor vehicle under
 187-13 Subsection (c) may require that the vehicle be:

187-14 (1) moved to the nearest place of safety off the
 187-15 main-traveled part of the highway; or

187-16 (2) removed and placed in the nearest vehicle storage
 187-17 facility designated or maintained by the law enforcement agency
 187-18 that employs the peace officer.

187-19 (e) To obtain the release of the vehicle, in addition to any
 187-20 other requirement of law, the owner of a vehicle seized under
 187-21 Subsection (c) must:

187-22 (1) remedy the defect by identifying the vehicle as
 187-23 required by Subsection (a) or (b); or

187-24 (2) agree in writing with the law enforcement agency
 187-25 to provide evidence to that agency, before the 10th day after the
 187-26 date the vehicle is released, that the defect has been remedied by
 187-27 identifying the vehicle as required by Subsection (a) or (b).

187-28 (f) Subsections (a) and (b) do not apply to a vehicle to
 187-29 which Section 502.451(g) [~~502.201(g) or 502.206~~] applies.

187-30 (g) For purposes of this section, an exempt license plate is
 187-31 a license plate issued by the department that is plainly marked with
 187-32 the word "exempt."

187-33 SECTION 33.149 Section 502.202, Transportation Code, is
 187-34 transferred to Subchapter J, Chapter 502, Transportation Code, as
 187-35 added by this Act, renumbered as Section 502.453, Transportation
 187-36 Code, and amended to read as follows:

187-37 Sec. 502.453 [~~502.202~~]. GOVERNMENT-OWNED VEHICLES; PUBLIC
 187-38 SCHOOL BUSES; FIRE-FIGHTING VEHICLES; COUNTY MARINE LAW
 187-39 ENFORCEMENT VEHICLES. (a) The owner of a motor vehicle, trailer,
 187-40 or semitrailer may annually apply for registration under Section
 187-41 502.451 [~~502.201~~] and is exempt from the payment of a registration
 187-42 fee under this chapter if the vehicle is:

187-43 (1) owned by and used exclusively in the service of:

187-44 (A) the United States;

187-45 (B) this state; or

187-46 (C) a county, municipality, or school district in
 187-47 this state;

187-48 (2) owned by a commercial transportation company and
 187-49 used exclusively to provide public school transportation services
 187-50 to a school district under Section 34.008, Education Code;

187-51 (3) designed and used exclusively for fire fighting;

187-52 (4) owned by a volunteer fire department and used
 187-53 exclusively in the conduct of department business; [~~or~~]

187-54 (5) privately owned and used by a volunteer
 187-55 exclusively in county marine law enforcement activities, including
 187-56 rescue operations, under the direction of the sheriff's department;
 187-57 or

187-58 (6) used by law enforcement under an alias for covert
 187-59 criminal investigations.

187-60 (b) An application for registration under this section must
 187-61 be made by a person having the authority to certify that the vehicle
 187-62 meets the exemption requirements prescribed by Subsection (a). An
 187-63 application for registration under this section of a fire-fighting
 187-64 vehicle described by Subsection (a)(3) must include a reasonable
 187-65 description of the vehicle and of any fire-fighting equipment
 187-66 mounted on the vehicle. An application for registration under this
 187-67 section of a vehicle described by Subsection (a)(5) must include a
 187-68 statement signed by a person having the authority to act for a
 187-69 sheriff's department that the vehicle is used exclusively in marine

188-1 law enforcement activities under the direction of the sheriff's
 188-2 department.

188-3 SECTION 33.150. Section 502.203, Transportation Code, is
 188-4 transferred to Subchapter J, Chapter 502, Transportation Code, as
 188-5 added by this Act, renumbered as Section 502.454, Transportation
 188-6 Code, and amended to read as follows:

188-7 Sec. 502.454 [~~502.203~~]. VEHICLES USED BY NONPROFIT
 188-8 DISASTER RELIEF ORGANIZATIONS. (a) The owner of a commercial motor
 188-9 vehicle, trailer, or semitrailer may apply for registration under
 188-10 Section 502.451 [~~502.201~~] and is exempt from the payment of the
 188-11 registration fee that would otherwise be required by this chapter
 188-12 if the vehicle is owned and used exclusively for emergencies by a
 188-13 nonprofit disaster relief organization.

188-14 (b) An application for registration under this section must
 188-15 include:

188-16 (1) a statement by the owner of the vehicle that the
 188-17 vehicle is used exclusively for emergencies and has not been used
 188-18 for any other purpose;

188-19 (2) a statement signed by an officer of the nonprofit
 188-20 disaster relief organization that the vehicle has not been used for
 188-21 any purpose other than emergencies and qualifies for registration
 188-22 under this section; and

188-23 (3) a reasonable description of the vehicle and the
 188-24 emergency equipment included in the vehicle.

188-25 (c) An applicant for registration under this section must
 188-26 pay a fee of \$5.

188-27 (d) A commercial motor vehicle registered under this
 188-28 section must display the name of the organization that owns it on
 188-29 each front door.

188-30 (e) A vehicle registered under this section must display at
 188-31 all times an appropriate license plate showing the vehicle's
 188-32 status.

188-33 (f) A vehicle registered under this section that is used for
 188-34 any purpose other than an emergency may not again be registered
 188-35 under this section.

188-36 SECTION 33.151. Section 502.2035, Transportation Code, is
 188-37 transferred to Subchapter J, Chapter 502, Transportation Code, as
 188-38 added by this Act, and renumbered as Section 502.455,
 188-39 Transportation Code, to read as follows:

188-40 Sec. 502.455 [~~502.2035~~]. TRAILERS AND SEMITRAILERS OWNED
 188-41 BY RELIGIOUS ORGANIZATIONS. (a) A trailer or semitrailer may be
 188-42 registered without payment if the trailer or semitrailer is:

188-43 (1) owned by an organization that qualifies as a
 188-44 religious organization under Section 11.20, Tax Code; and

188-45 (2) used primarily for the purpose of transporting
 188-46 property in connection with the charitable activities and functions
 188-47 of the organization.

188-48 (b) An application for registration under this section must
 188-49 include a statement signed by an officer of the religious
 188-50 organization stating that the trailer or semitrailer qualifies for
 188-51 registration under this section.

188-52 SECTION 33.152. Section 502.204, Transportation Code, is
 188-53 transferred to Subchapter J, Chapter 502, Transportation Code, as
 188-54 added by this Act, renumbered as Section 502.456, Transportation
 188-55 Code, and amended to read as follows:

188-56 Sec. 502.456 [~~502.204~~]. EMERGENCY SERVICES VEHICLES. (a)
 188-57 A vehicle may be registered without payment if:

188-58 (1) the vehicle is owned or leased by an emergency
 188-59 medical services provider that:

188-60 (A) is a nonprofit entity; or

188-61 (B) is created and operated by:

188-62 (i) a county;

188-63 (ii) a municipality; or

188-64 (iii) any combination of counties and
 188-65 municipalities through a contract, joint agreement, or other method
 188-66 provided by Chapter 791, Government Code, or other law authorizing
 188-67 counties and municipalities to provide joint programs; and

188-68 (2) the vehicle:

188-69 (A) is authorized under an emergency medical

189-1 services provider license issued by the Department of State [~~Texas~~
 189-2 ~~Board of~~] Health Services under Chapter 773, Health and Safety
 189-3 Code, and is used exclusively as an emergency medical services
 189-4 vehicle; or

189-5 (B) is an emergency medical services chief or
 189-6 supervisor vehicle and is used exclusively as an emergency services
 189-7 vehicle.

189-8 (b) A vehicle may be registered without payment of a
 189-9 registration fee if the vehicle:

189-10 (1) is owned by the Civil Air Patrol, Texas Wing; and

189-11 (2) is used exclusively as an emergency services
 189-12 vehicle by members of the Civil Air Patrol, Texas Wing.

189-13 (c) An application for registration under Subsection (a)
 189-14 must be accompanied by a copy of the license issued by the
 189-15 Department of State [~~Texas Board of~~] Health Services. An
 189-16 application for registration of an emergency medical services
 189-17 vehicle must include a statement signed by an officer of the
 189-18 emergency medical services provider that the vehicle is used
 189-19 exclusively as an emergency response vehicle and qualifies for
 189-20 registration under this section. An application for registration
 189-21 of an emergency medical services chief or supervisor vehicle must
 189-22 include a statement signed by an officer of the emergency medical
 189-23 services provider stating that the vehicle qualifies for
 189-24 registration under this section.

189-25 (d) An application for registration under Subsection (b)
 189-26 must include a statement signed by an officer of the Civil Air
 189-27 Patrol, Texas Wing, that the vehicle is used exclusively as an
 189-28 emergency services vehicle by members of the Civil Air Patrol,
 189-29 Texas Wing.

189-30 (e) The department must approve an application for
 189-31 registration under this section as provided by Section 502.451
 189-32 [~~502.201~~].

189-33 SECTION 33.153. Section 520.0225, Transportation Code, is
 189-34 transferred to Subchapter J, Chapter 502, Transportation Code, as
 189-35 added by this Act, renumbered as Section 502.457, Transportation
 189-36 Code, and amended to read as follows:

189-37 Sec. 502.457 [~~520.0225~~]. PERSONS ON ACTIVE DUTY IN ARMED
 189-38 FORCES OF UNITED STATES. (a) This section applies only to a used
 189-39 motor vehicle that is owned by a person who:

189-40 (1) is on active duty in the armed forces of the United
 189-41 States;

189-42 (2) is stationed in or has been assigned to another
 189-43 nation under military orders; and

189-44 (3) has registered the vehicle or been issued a
 189-45 license for the vehicle under the applicable status of forces
 189-46 agreement by:

189-47 (A) the appropriate branch of the armed forces of
 189-48 the United States; or

189-49 (B) the nation in which the person is stationed
 189-50 or to which the person has been assigned.

189-51 (b) The requirement [~~in Section 520.021~~] that a used vehicle
 189-52 be registered under the law of this state does not apply to a
 189-53 vehicle described by Subsection (a). In lieu of delivering the
 189-54 license receipt to the transferee of the vehicle, as required by
 189-55 Section 501.0721 [~~520.022~~], the person selling, trading, or
 189-56 otherwise transferring a used motor vehicle described by Subsection
 189-57 (a) shall deliver to the transferee:

189-58 (1) a letter written on official letterhead by the
 189-59 owner's unit commander attesting to the registration of the vehicle
 189-60 under Subsection (a)(3); or

189-61 (2) the registration receipt issued by the appropriate
 189-62 branch of the armed forces or host nation.

189-63 (c) A registration receipt issued by a host nation that is
 189-64 not written in the English language must be accompanied by:

189-65 (1) a written translation of the registration receipt
 189-66 in English; and

189-67 (2) an affidavit, in English and signed by the person
 189-68 translating the registration receipt, attesting to the person's
 189-69 ability to translate the registration receipt into English.

190-1 SECTION 33.154. Chapter 502, Transportation Code, is
 190-2 amended by adding Subchapter K to read as follows:

190-3 SUBCHAPTER K. OFFENSES AND PENALTIES

190-4 SECTION 33.155. Section 502.401, Transportation Code, is
 190-5 transferred to Subchapter K, Chapter 502, Transportation Code, as
 190-6 added by this Act, renumbered as Section 502.471, Transportation
 190-7 Code, and amended to read as follows:

190-8 Sec. 502.471 [~~502.401~~]. GENERAL PENALTY. (a) A person
 190-9 commits an offense if the person violates a provision of this
 190-10 chapter and no other penalty is prescribed for the violation.

190-11 (b) ~~Unless otherwise specified, an [This section does not~~
 190-12 ~~apply to a violation of Section 502.003, 502.101, 502.109, 502.112,~~
 190-13 ~~502.113, 502.114, 502.152, 502.164, or 502.282.~~

190-14 [~~(c) An~~] offense under this section is a misdemeanor
 190-15 punishable by a fine not to exceed \$200.

190-16 SECTION 33.156. Section 502.402, Transportation Code, is
 190-17 transferred to Subchapter K, Chapter 502, Transportation Code, as
 190-18 added by this Act, renumbered as Section 502.472, Transportation
 190-19 Code, and amended to read as follows:

190-20 Sec. 502.472 [~~502.402~~]. OPERATION OF VEHICLE UNDER
 190-21 IMPROPER REGISTRATION [UNREGISTERED MOTOR VEHICLE]. [~~(a)~~] A
 190-22 person commits an offense if the person operates a motor vehicle
 190-23 that has not been registered or registered for a class other than
 190-24 that to which the vehicle belongs as required by law. [~~An offense~~
 190-25 ~~under this subsection is a misdemeanor punishable by a fine not to~~
 190-26 ~~exceed \$200.~~]

190-27 SECTION 33.157. Section 502.404, Transportation Code, is
 190-28 transferred to Subchapter K, Chapter 502, Transportation Code, as
 190-29 added by this Act, renumbered as Section 502.473, Transportation
 190-30 Code, and amended to read as follows:

190-31 Sec. 502.473 [~~502.404~~]. OPERATION OF VEHICLE WITHOUT
 190-32 [LICENSE PLATE OR] REGISTRATION INSIGNIA. (a) A person commits an
 190-33 offense if the person operates on a public highway during a
 190-34 registration period a passenger car, [~~or~~] commercial motor vehicle,
 190-35 road tractor, motorcycle, trailer, or semitrailer that does not
 190-36 display a [~~two license plates, at the front and rear of the vehicle,~~
 190-37 ~~that have been:~~

190-38 [~~(1) assigned by the department for the period, or~~
 190-39 [~~(2)] validated [by a] registration insignia issued by~~
 190-40 the department that establishes that the vehicle is registered [~~for~~
 190-41 ~~the period]~~.

190-42 (b) ~~Subsection [A person commits an offense if the person~~
 190-43 ~~operates on a public highway during a registration period a~~
 190-44 ~~passenger car or commercial motor vehicle, other than a vehicle~~
 190-45 ~~assigned license plates for the registration period, that does not~~
 190-46 ~~properly display the registration insignia issued by the department~~
 190-47 ~~that establishes that the license plates have been validated for~~
 190-48 ~~the period.~~

190-49 [~~(c) A person commits an offense if the person operates on a~~
 190-50 ~~public highway during a registration period a road tractor,~~
 190-51 ~~motorcycle, trailer, or semitrailer that does not display a license~~
 190-52 ~~plate, attached to the rear of the vehicle, that has been:~~

190-53 [~~(1) assigned by the department for the period, or~~
 190-54 [~~(2)] validated by a registration insignia issued by~~
 190-55 the department that establishes that the vehicle is registered ~~for~~
 190-56 ~~the period.~~

190-57 [~~(d) Subsections] (a) does [and (b) do] not apply to a~~
 190-58 dealer operating a vehicle as provided by law.

190-59 (c) [~~(e) An offense under this section is a misdemeanor~~
 190-60 ~~punishable by a fine not to exceed \$200.~~

190-61 [~~(f)] A court may dismiss a charge brought under Subsection~~
 190-62 (a) if the defendant:

190-63 (1) remedies the defect before the defendant's first
 190-64 court appearance; or [and]

190-65 (2) [~~pays an administrative fee not to exceed \$10.~~

190-66 [~~(g) A court may dismiss a charge brought under Subsection~~
 190-67 ~~(b) if the defendant:~~

190-68 [~~(1)] shows that [+]~~

190-69 [~~(A)] the passenger car or commercial [motor]~~

191-1 vehicle was issued a registration insignia by the department that
 191-2 was attached to the passenger car or commercial vehicle that
 191-3 establishes that the vehicle was registered for the period during
 191-4 which the offense was committed; and

191-5 ~~(3) [(B) the registration insignia described in~~
 191-6 ~~Paragraph (A) was attached to the passenger car or commercial motor~~
 191-7 ~~vehicle before the defendant's first court appearance; and~~

191-8 [(2)] pays an administrative fee not to exceed \$10.

191-9 SECTION 33.158. Subchapter K, Chapter 502, Transportation
 191-10 Code, as added by this Act, is amended by adding Section 502.474 to
 191-11 read as follows:

191-12 Sec. 502.474. OPERATION OF ONE-TRIP PERMIT VEHICLE. A
 191-13 person commits an offense if the person operates a vehicle for which
 191-14 a one-trip permit is required without the registration receipt and
 191-15 properly displayed temporary tag.

191-16 SECTION 33.159. Section 502.409, Transportation Code, as
 191-17 amended by Chapters 30 (S.B. 369) and 1027 (H.B. 1623), Acts of the
 191-18 80th Legislature, Regular Session, 2007, is transferred to
 191-19 Subchapter K, Chapter 502, Transportation Code, as added by this
 191-20 Act, renumbered as Section 502.475, Transportation Code, and
 191-21 amended to read as follows:

191-22 Sec. 502.475 [502.409]. WRONG, FICTITIOUS, ALTERED, OR
 191-23 OBSCURED INSIGNIA [LICENSE PLATE]. (a) A person commits an offense
 191-24 if the person attaches to or displays on a motor vehicle [~~a number~~
 191-25 ~~plate or~~] registration insignia that:

191-26 (1) is assigned to a different motor vehicle;
 191-27 (2) is assigned to the vehicle under any other motor
 191-28 vehicle law other than by the department;

191-29 (3) is assigned for a registration period other than
 191-30 the registration period in effect; or

191-31 (4) is fictitious [~~+~~
 191-32 [~~(5) has blurring or reflective matter that~~
 191-33 ~~significantly impairs the readability of the name of the state in~~
 191-34 ~~which the vehicle is registered or the letters or numbers of the~~
 191-35 ~~license plate number at any time;~~

191-36 [~~(6) has an attached illuminated device or sticker,~~
 191-37 ~~decal, emblem, or other insignia that is not authorized by law and~~
 191-38 ~~that interferes with the readability of the letters or numbers of~~
 191-39 ~~the license plate number or the name of the state in which the~~
 191-40 ~~vehicle is registered; or~~

191-41 [~~(7) has a coating, covering, protective material, or~~
 191-42 ~~other apparatus that;~~

191-43 [~~(A) distorts angular visibility or~~
 191-44 ~~detectability;~~

191-45 [~~(B) alters or obscures one-half or more of the~~
 191-46 ~~name of the state in which the vehicle is registered; or~~

191-47 [~~(C) alters or obscures the letters or numbers of~~
 191-48 ~~the license plate number or the color of the plate].~~

191-49 (b) An [~~Except as provided by Subsection (f), an~~] offense
 191-50 under Subsection (a) is a misdemeanor punishable by a fine of not
 191-51 more than \$200, unless it is shown at the trial of the offense that
 191-52 the owner knowingly altered or made illegible the letters, numbers,
 191-53 and other identification marks, in which case the offense is a Class
 191-54 B misdemeanor.

191-55 [~~(c) Subsection (a)(7) may not be construed to apply to:~~

191-56 [~~(1) a trailer hitch installed on a vehicle in a normal~~
 191-57 ~~or customary manner;~~

191-58 [~~(2) a transponder, as defined by Section 228.057,~~
 191-59 ~~that is attached to a vehicle in the manner required by the issuing~~
 191-60 ~~authority;~~

191-61 [~~(3) a wheelchair lift or wheelchair carrier that is~~
 191-62 ~~attached to a vehicle in a normal or customary manner;~~

191-63 [~~(4) a trailer being towed by a vehicle; or~~

191-64 [~~(5) a bicycle rack that is attached to a vehicle in a~~
 191-65 ~~normal or customary manner.~~

191-66 [~~(c) A court may dismiss a charge brought under Subsection~~
 191-67 ~~(a)(3), (5), (6), or (7) if the defendant;~~

191-68 [~~(1) remedies the defect before the defendant's first~~
 191-69 ~~court appearance; and~~

192-1 ~~[(2) pays an administrative fee not to exceed \$10.~~

192-2 ~~[(f) An offense under Subsection (a)(4) is a Class B~~

192-3 ~~misdemeanor.]~~

192-4 SECTION 33.160. Subchapter K, Chapter 502, Transportation

192-5 Code, as added by this Act, is amended by adding Sections 502.476,

192-6 502.477, 502.478, and 502.479 to read as follows:

192-7 Sec. 502.476. FOREIGN COMMERCIAL REGISTRATION; OFFENSE. A

192-8 person who violates Section 502.093 commits an offense.

192-9 Sec. 502.477. NONRESIDENT-OWNED VEHICLES USED TO TRANSPORT

192-10 AGRICULTURAL PRODUCT; OFFENSE. (a) A person operating a vehicle

192-11 under a permit issued under Section 502.092 commits an offense if

192-12 the person:

192-13 (1) transports farm products to a place of market,

192-14 storage, or processing or a railhead or seaport that is farther from

192-15 the place of production or point of entry, as appropriate, than the

192-16 distance provided for in the permit; or

192-17 (2) follows a route other than that prescribed by the

192-18 department.

192-19 (b) An offense under this section is a misdemeanor

192-20 punishable by a fine of not less than \$25 or more than \$200.

192-21 Sec. 502.478. COMMERCIAL MOTOR VEHICLE USED PRIMARILY FOR

192-22 AGRICULTURAL PURPOSES; OFFENSE. An offense under Section 502.432

192-23 is a misdemeanor punishable by a fine of not less than \$25 or more

192-24 than \$200.

192-25 Sec. 502.479. SEASONAL AGRICULTURAL VEHICLE; OFFENSE. A

192-26 person issued a registration under Section 502.432 commits an

192-27 offense if the person, during the registration period, uses the

192-28 truck-tractor or commercial motor vehicle for a purpose other than

192-29 to transport a seasonal agricultural product.

192-30 SECTION 33.161. Section 520.014, Transportation Code, is

192-31 transferred to Subchapter K, Chapter 502, Transportation Code, as

192-32 added by this Act, renumbered as Section 502.480, Transportation

192-33 Code, and amended to read as follows:

192-34 Sec. 502.480 [520.014]. VIOLATION BY COUNTY

192-35 ASSESSOR-COLLECTOR; PENALTY. (a) A county assessor-collector

192-36 commits an offense if the county assessor-collector knowingly

192-37 accepts an application for the registration of a motor vehicle

192-38 that:

192-39 (1) has had the original motor number or vehicle

192-40 identification number removed, erased, or destroyed; and

192-41 (2) does not bear a motor number or vehicle

192-42 identification number assigned by the department.

192-43 (b) An offense under this section is a misdemeanor

192-44 punishable by a fine of not less than \$10 and not more than \$50.

192-45 SECTION 33.162. Chapter 502, Transportation Code, is

192-46 amended by adding Subchapter L to read as follows:

192-47 SUBCHAPTER L. REGISTRATION AND TRANSFER OF USED VEHICLES

192-48 SECTION 33.163. Section 502.451, Transportation Code, is

192-49 transferred to Subchapter L, Chapter 502, Transportation Code, as

192-50 added by this Act, renumbered as Section 502.491, Transportation

192-51 Code, and amended to read as follows:

192-52 Sec. 502.491 [502.451]. TRANSFER OF VEHICLE REGISTRATION

192-53 [AND REMOVAL OF LICENSE PLATES]. (a) On the sale or transfer of a

192-54 motor vehicle [to a dealer], [as defined by Section 503.001, who

192-55 holds a general distinguishing number issued under Chapter 503, the

192-56 dealer shall remove each license plate and] the registration

192-57 insignia issued for the motor vehicle shall be removed.

192-58 ~~[(a-1) On a sale or transfer of a motor vehicle to a person~~

192-59 ~~that does not hold a general distinguishing number issued under~~

192-60 ~~Chapter 503, the seller or transferor may remove each license plate~~

192-61 ~~and the registration insignia issued for the motor vehicle.]~~

192-62 (b) [A license plate removed from a motor vehicle under

192-63 Subsection (a) or (a-1) must be:

192-64 ~~[(1) disposed of in the manner specified by the~~

192-65 ~~department, or~~

192-66 ~~[(2) transferred to another vehicle owned by the~~

192-67 ~~seller or transferor as provided by Section 502.452.~~

192-68 ~~[(c)] The part of the registration period remaining at the~~

192-69 ~~time of the sale or transfer shall continue with the vehicle being~~

193-1 sold or transferred and does not transfer with the license plates or
 193-2 registration validation insignia. To continue the remainder of
 193-3 the registration period, the purchaser or transferee must file the
 193-4 documents required under Section 501.145 [~~520.031~~].

193-5 SECTION 33.164. Section 502.454, Transportation Code, is
 193-6 transferred to Subchapter L, Chapter 502, Transportation Code, as
 193-7 added by this Act, renumbered as Section 502.492, Transportation
 193-8 Code, and amended to read as follows:

193-9 Sec. 502.492 [~~502.454~~]. TEMPORARY PERMIT FOR A VEHICLE
 193-10 PURCHASED [~~IN A PRIVATE PARTY TRANSACTION~~]. (a) A purchaser [~~or~~
 193-11 ~~transferee~~] may obtain from the department a temporary
 193-12 [~~single-trip~~] permit to operate a motor vehicle:

193-13 (1) that is subject to registration in this state;

193-14 (2) from which the license plates and the registration
 193-15 insignia have been removed as authorized by Section 502.491
 193-16 [~~502.451(a-1)~~]; and

193-17 (3) that is not authorized to travel on a public
 193-18 roadway because the required license plates and the registration
 193-19 insignia are not attached to the vehicle.

193-20 (b) The department may issue the permit in accordance with
 193-21 this section.

193-22 (c) A permit issued under this section is valid for one trip
 193-23 between the point of origin and the destination and those
 193-24 intermediate points specified in the permit.

193-25 (d) A permit issued under this section may not be valid for
 193-26 longer than a five-day period.

193-27 (e) A person may obtain a permit under this section by
 193-28 applying, as [~~on a form~~] provided by the department, to the
 193-29 department. Application may be made using the department's
 193-30 Internet website.

193-31 (f) A person is eligible to receive only one permit under
 193-32 this section for a motor vehicle.

193-33 (g) A permit receipt issued under this section must be in
 193-34 [~~on~~] a manner [~~form~~] provided by the department. The receipt must
 193-35 contain the information required by this section and shall be
 193-36 carried in the vehicle at all times during which it is valid.

193-37 (h) The department may refuse to issue a permit under this
 193-38 section for any vehicle if in the department's opinion the
 193-39 applicant has been involved in operations that constitute an abuse
 193-40 of the privilege granted under this section.

193-41 SECTION 33.165. Section 504.001(a), Transportation Code,
 193-42 is amended to read as follows:

193-43 (a) In this chapter:

193-44 (1) [~~r~~] "commission" and "director" have the meanings
 193-45 assigned by Section 201.001; and

193-46 (2) "seller" and "purchaser" have the meanings
 193-47 assigned by Section 501.002.

193-48 SECTION 33.166. Section 504.004, Transportation Code, is
 193-49 renumbered as Section 504.0011, Transportation Code, and amended to
 193-50 read as follows:

193-51 Sec. 504.0011 [~~504.004~~]. RULES [~~AND FORMS~~]. The
 193-52 commission may adopt rules [~~and the department may issue forms~~] to
 193-53 implement and administer this chapter.

193-54 SECTION 33.167. Section 504.002, Transportation Code, is
 193-55 amended to read as follows:

193-56 Sec. 504.002. [~~PROVISIONS OF~~] GENERAL PROVISIONS
 193-57 [~~APPLICABILITY~~]. Unless expressly provided by this chapter or by
 193-58 department rule:

193-59 (1) except for license plates specified as exempt,
 193-60 [~~any vehicle is eligible to be issued specialty license plates,~~
 193-61 ~~provided that the department may vary the design of a license plate~~
 193-62 ~~to accommodate or reflect its use on a motor vehicle other than a~~
 193-63 ~~passenger car or light truck,~~

193-64 [(2) ~~an application for specialty license plates must~~
 193-65 ~~be submitted in the manner specified by the department, provided~~
 193-66 ~~that if issuance of a specialty license plate is limited to~~
 193-67 ~~particular persons or motor vehicles, the application must be~~
 193-68 ~~accompanied by evidence satisfactory to the department that the~~
 193-69 ~~applicant or the applicant's vehicle is eligible,~~

194-1 ~~[(3)]~~ the fee for issuance of a ~~[specialty]~~ license
 194-2 plate, including replacement plates, is in addition to each other
 194-3 fee that is paid for ~~[or]~~ at the time of the registration of the
 194-4 motor vehicle and shall be deposited to the credit of the state
 194-5 highway fund;

194-6 ~~(2) [(4) each fee described by this chapter is an~~
 194-7 ~~annual fee, provided that the department may prorate the fee for a~~
 194-8 ~~specialty license plate fee on a monthly basis to align the license~~
 194-9 ~~plate fee to the registration period for the motor vehicle for which~~
 194-10 ~~the license plate was issued, and if a fee is prorated the~~
 194-11 ~~allocation of the fee by this chapter to an account or fund shall be~~
 194-12 ~~prorated in proportion;~~

194-13 ~~[(5)]~~ the department is the exclusive owner of the
 194-14 design of each ~~[specialty]~~ license plate;

194-15 ~~(3) [(6) the director may refuse to issue a specialty~~
 194-16 ~~license plate with a design or alphanumeric pattern that the~~
 194-17 ~~director considers potentially objectionable to one or more members~~
 194-18 ~~of the public and the director's refusal may not be overturned in~~
 194-19 ~~the absence of an abuse of discretion;~~

194-20 ~~[(7) for each specialty license plate that is issued~~
 194-21 ~~through a county tax assessor-collector and for which the~~
 194-22 ~~department is allocated a portion of a fee for administrative~~
 194-23 ~~costs, the department shall credit 50 cents from its administrative~~
 194-24 ~~costs to the county treasurer of the applicable county, who shall~~
 194-25 ~~credit the money to the general fund of the county to defray the~~
 194-26 ~~costs to the county of administering this chapter;~~

194-27 ~~[(8)]~~ if a ~~[specialty]~~ license plate is lost, stolen,
 194-28 or mutilated, an application for a replacement plate must be
 194-29 accompanied by the fee prescribed by Section 502.060
 194-30 ~~[502.184(a)(2)];~~

194-31 ~~[(9) if the owner of a motor vehicle for which a~~
 194-32 ~~specialty license plate is issued disposes of the vehicle or for any~~
 194-33 ~~reason ceases to be eligible for that specialty license plate, the~~
 194-34 ~~owner shall return the specialty license plate to the department];~~
 194-35 and

194-36 ~~(4) the department shall prepare the designs and~~
 194-37 ~~specifications of license plates [(10) a person who is issued a~~
 194-38 ~~specialty license plate may not transfer it to another person or~~
 194-39 ~~vehicle without first receiving approval from the department].~~

194-40 SECTION 33.168. Section 504.103, Transportation Code, is
 194-41 transferred to Subchapter A, Chapter 504, Transportation Code,
 194-42 renumbered as Section 504.005, Transportation Code, and amended to
 194-43 read as follows:

194-44 Sec. 504.005 ~~[504.103]~~. DESIGN AND ALPHANUMERIC PATTERN.
 194-45 The department has sole control over the design, typeface, color,
 194-46 and alphanumeric pattern for all ~~[a personalized]~~ license plates
 194-47 ~~[plate]~~.

194-48 SECTION 33.169. Subchapter A, Chapter 504, Transportation
 194-49 Code, is amended by adding Section 504.006 to read as follows:

194-50 Sec. 504.006. DESIGN OF LICENSE PLATES. (a) The department
 194-51 shall prepare the designs and specifications of license plates and
 194-52 devices selected by the commission to be used as a unique
 194-53 identifier.

194-54 (b) The department shall design each license plate to
 194-55 include a design at least one-half inch wide that represents in
 194-56 silhouette the shape of Texas and that appears between letters and
 194-57 numerals. The department may omit the silhouette of Texas from
 194-58 specially designed license plates.

194-59 (c) To promote highway safety, each license plate shall be
 194-60 made with a reflectorized material that provides effective and
 194-61 dependable brightness for the period for which the plate is issued.

194-62 SECTION 33.170. Section 502.053, Transportation Code, is
 194-63 transferred to Subchapter A, Chapter 504, Transportation Code,
 194-64 renumbered as Section 504.007, Transportation Code, and amended to
 194-65 read as follows:

194-66 Sec. 504.007 ~~[502.053]~~. COST OF MANUFACTURING ~~[LICENSE~~
 194-67 ~~PLATES OR REGISTRATION INSIGNIA]~~. (a) The Texas Department of
 194-68 Transportation shall reimburse the Texas Department of Criminal
 194-69 Justice for the cost of manufacturing license plates or

195-1 registration insignia as [~~the license plates or insignia and~~] the
 195-2 invoices [~~invoice~~] for the license plates or insignia are delivered
 195-3 to the Texas Department of Transportation.

195-4 (b) When manufacturing is started, the Texas Department of
 195-5 Criminal Justice and [~~7~~] the Texas Department of Transportation,
 195-6 [~~and the comptroller,~~] after negotiation, shall set the price to be
 195-7 paid for each license plate or insignia. The price must be
 195-8 determined from:

- 195-9 (1) the cost of metal, paint, and other materials
 195-10 purchased;
 195-11 (2) the inmate maintenance cost per shift [~~day~~];
 195-12 (3) overhead expenses;
 195-13 (4) miscellaneous charges; and
 195-14 (5) a previously agreed upon [~~approved~~] amount of
 195-15 profit for the work.

195-16 [~~(c) The annual profit received by the Texas Department of~~
 195-17 ~~Criminal Justice from all contracts for the manufacturing of~~
 195-18 ~~license plates or related manufacturing may not be less than the~~
 195-19 ~~profit received by the Texas Department of Corrections for~~
 195-20 ~~manufacturing license plates for use in 1974.]~~

195-21 SECTION 33.171. Subchapter A, Chapter 504, Transportation
 195-22 Code, is amended by adding Sections 504.008 and 504.009 to read as
 195-23 follows:

195-24 Sec. 504.008. REPLACEMENT OF LICENSE PLATE. (a) The owner
 195-25 of a registered motor vehicle may obtain replacement license plates
 195-26 through the county assessor-collector by:

195-27 (1) certifying that the replacement plates will not be
 195-28 used on any other vehicle owned or operated by the person making the
 195-29 statement;

195-30 (2) paying a fee of \$5 plus the fees required by
 195-31 Sections 502.356(a) and 502.360 for each set of replacement license
 195-32 plates, unless otherwise specified by law; and

195-33 (3) returning each replaced plate in the owner's
 195-34 possession.

195-35 (b) A fee is not required under this section if the
 195-36 replacement fee has been paid under Section 502.060. No fee is
 195-37 required for the replacement of specialized license plates issued
 195-38 under Section 504.202, 504.305, 504.308, 504.315(c), (e), or (f),
 195-39 504.513, or 504.515.

195-40 (c) The owner of a vehicle issued license plates approved
 195-41 under Section 504.501(b) or 504.502(c) may obtain approval of
 195-42 another set of license plates as provided by Section 504.501 or
 195-43 504.502, respectively. The fee for approval of replacement license
 195-44 plates is \$5.

195-45 (d) Replacement license plates may not be issued except in
 195-46 compliance with this section.

195-47 (e) A county assessor-collector shall retain \$2.50 of each
 195-48 fee collected under this section and shall report and send the
 195-49 remainder to the department as provided by Section 502.060.

195-50 (f) Replacement license plates may be used in the
 195-51 registration year in which the plates are issued and during each
 195-52 succeeding year of the six-year period as prescribed by Section
 195-53 502.059(b) if the registration insignia is properly displayed on
 195-54 the vehicle.

195-55 (g) Subsection (f) does not apply to the issuance of
 195-56 specialized license plates for limited distribution, including
 195-57 state official license plates, exempt plates for governmental
 195-58 entities, and temporary registration plates.

195-59 (h) The owner of a vehicle listed in Section 502.059(f) or
 195-60 504.011(d) may obtain replacement plates and a replacement
 195-61 registration insignia by paying a fee of \$5 plus the fees required
 195-62 by Sections 502.356(a) and 502.360(a).

195-63 Sec. 504.009. SPECIALTY LICENSE PLATES. (a) The
 195-64 department shall prepare the designs and specifications of
 195-65 specialty license plates.

195-66 (b) Any motor vehicle other than a vehicle manufactured for
 195-67 off-highway use only is eligible to be issued specialty license
 195-68 plates, provided that the department may vary the design of a
 195-69 license plate to accommodate or reflect its use on a motor vehicle

196-1 other than a passenger car or light truck.

196-2 (c) An application for specialty license plates must be
 196-3 submitted in the manner specified by the department, provided that
 196-4 if issuance of a specialty license plate is limited to particular
 196-5 persons or motor vehicles, the application must be accompanied by
 196-6 evidence satisfactory to the department that the applicant or the
 196-7 applicant's vehicle is eligible.

196-8 (d) Each fee described by this chapter is an annual fee,
 196-9 provided that the department may prorate the fee for a specialty
 196-10 license plate fee on a monthly basis to align the license plate fee
 196-11 to the registration month for the motor vehicle for which the
 196-12 license plate was issued, and if a fee is prorated the allocation of
 196-13 the fee by this chapter to an account or fund shall be prorated in
 196-14 proportion.

196-15 (e) The director or the director's designee may refuse to
 196-16 issue a specialty license plate with a design or alphanumeric
 196-17 pattern that the director or designee considers potentially
 196-18 objectionable to one or more members of the public and the director
 196-19 or designee's refusal may not be overturned in the absence of an
 196-20 abuse of discretion.

196-21 (f) The department is the exclusive owner of the design of
 196-22 each license plate.

196-23 (g) For each specialty license plate that is issued by a
 196-24 county assessor-collector and for which the department is allocated
 196-25 a portion of the fee for administrative costs, the department shall
 196-26 credit 50 cents from its administrative costs to the county
 196-27 treasurer of the applicable county, who shall credit the money to
 196-28 the general fund of the county to defray the costs to the county of
 196-29 administering this chapter.

196-30 (h) A replacement license plate of a specialty license plate
 196-31 must be accompanied by an application for a replacement plate and
 196-32 the fee prescribed by Section 504.008.

196-33 (i) If the owner of a motor vehicle for which a specialty
 196-34 license plate is issued disposes of the vehicle or for any reason
 196-35 ceases to be eligible for that specialty license plate, the owner
 196-36 shall return the specialty license plate to the department.

196-37 (j) A person who is issued a specialty license plate may not
 196-38 transfer the plate to another person or vehicle unless the
 196-39 department approves the transfer.

196-40 SECTION 33.172. Section 504.003, Transportation Code, is
 196-41 renumbered as Section 504.010, Transportation Code, and amended to
 196-42 read as follows:

196-43 Sec. 504.010 [504.003]. SOUVENIR LICENSE PLATES. (a) The
 196-44 department may issue a souvenir version of any specialty license
 196-45 plate for any vehicle[, including a motorcycle].

196-46 (b) The fee for a single souvenir license plate is \$20. The
 196-47 fee shall be deposited to the credit of the state highway fund
 196-48 unless the souvenir license plate is a replica of a specialty
 196-49 license plate issued under Subchapter G or I for which the fee is
 196-50 deposited to an account other than the state highway fund, in which
 196-51 case:

196-52 (1) \$10 of the fee for the souvenir license plate shall
 196-53 be deposited to the credit of the designated account; and

196-54 (2) \$10 of the fee for the souvenir license plate shall
 196-55 be deposited to the credit of the state highway fund.

196-56 (c) If the souvenir license plate is personalized, the fee
 196-57 for the plate is \$40. Of the fee:

196-58 (1) \$20 shall be deposited to the credit of the state
 196-59 highway fund;

196-60 (2) \$10 shall be deposited to the credit of the
 196-61 designated account if the souvenir license plate is a replica of a
 196-62 specialty license plate issued under Subchapter G or I for which the
 196-63 fee is deposited to a designated account other than the state
 196-64 highway fund; and

196-65 (3) the remainder shall be deposited to the credit of
 196-66 the general revenue fund.

196-67 (d) A souvenir license plate may not be used on a motor
 196-68 vehicle[, including a motorcycle,] and is not an insignia of
 196-69 registration for a motor vehicle. Each souvenir license plate must

197-1 be identified by the department in a way that identifies it to law
 197-2 enforcement officers and others as a souvenir license plate.

197-3 (e) A beneficiary of a specialty license plate issued under
 197-4 Subchapter G or I, as designated by the applicable section of those
 197-5 subchapters, may purchase the specialty license plates, in minimum
 197-6 quantity amounts determined by the department [boxes of 25] for
 197-7 use or resale by the beneficiary. The beneficiary shall pay the
 197-8 required fee per plate, less the amount of the fee that would be
 197-9 deposited to the credit of the designated account.

197-10 SECTION 33.173. Subchapter A, Chapter 504, Transportation
 197-11 Code, is amended by adding Section 504.011 to read as follows:

197-12 Sec. 504.011. ISSUANCE OF LICENSE PLATE. (a) On payment of
 197-13 the prescribed fee, an applicant for motor vehicle registration
 197-14 shall be issued a license plate or set of plates.

197-15 (b) Subject to Subchapter I, the department shall issue only
 197-16 one license plate or set of plates for a vehicle during a seven-year
 197-17 period.

197-18 (c) On application and payment of the prescribed fee for a
 197-19 renewal of the registration of a vehicle for the first through the
 197-20 seventh year the department shall issue a registration insignia for
 197-21 the validation of the license plate or plates to be attached as
 197-22 provided by Chapter 502.

197-23 (d) The registration insignia for validation of a license
 197-24 plate shall be attached to the rear license plate of the vehicle, if
 197-25 the vehicle is:

197-26 (1) a motorcycle;

197-27 (2) machinery used exclusively to drill water wells or
 197-28 construction machinery for which a distinguishing license plate has
 197-29 been issued under Section 502.146; or

197-30 (3) oil well servicing, oil clean out, or oil well
 197-31 drilling machinery or equipment for which a distinguishing license
 197-32 plate has been issued under Subchapter G, Chapter 623.

197-33 SECTION 33.174. Section 504.101(a), Transportation Code,
 197-34 is amended to read as follows:

197-35 (a) The department shall issue personalized license plates.
 197-36 The department may not issue more than one set of license plates
 197-37 with the same alphanumeric pattern. All personalized license
 197-38 plates issued before January 1, 2013, may continue to be renewed in
 197-39 accordance with the law at the time of initial issuance.

197-40 SECTION 33.175. Sections 504.201(b), (d), and (g),
 197-41 Transportation Code, are amended to read as follows:

197-42 (b) The department shall issue specialty license plates for
 197-43 a motor vehicle that:

197-44 (1) has a gross vehicle weight [manufacturer's rated
 197-45 carrying capacity] of 18,000 pounds [two tons] or less; and

197-46 (2) is regularly operated for noncommercial use by or
 197-47 for the transportation of a person with a permanent disability.

197-48 (d) The initial application for specialty license plates
 197-49 under this section must be accompanied by a written statement from a
 197-50 physician who is licensed to practice medicine in this state or in a
 197-51 state adjacent to this state or who is authorized by applicable law
 197-52 to practice medicine in a hospital or other health facility of the
 197-53 Department of Veterans Affairs. If the applicant has a mobility
 197-54 problem caused by a disorder of the foot, the written statement may
 197-55 be issued by a person licensed to practice podiatry in this state or
 197-56 a state adjacent to this state. In this subsection, "podiatry" has
 197-57 the meaning assigned by Section 681.001. The statement must
 197-58 certify that the person making the application or on whose behalf
 197-59 the application is made is legally blind or has a mobility problem
 197-60 that substantially impairs the person's ability to ambulate. The
 197-61 statement must also certify whether a mobility problem is temporary
 197-62 or permanent. A written statement is not required as acceptable
 197-63 medical proof if:

197-64 (1) the person with a disability:

197-65 (A) has had a limb, hand, or foot amputated; or

197-66 (B) must use a wheelchair; and

197-67 (2) the applicant executes a statement [and the county
 197-68 assessor-collector processing the application execute an
 197-69 affidavit] attesting to the person's disability before the county

198-1 assessor-collector.

198-2 (g) In addition to a license plate issued under this
198-3 section, an eligible person is entitled to be issued a set of the
198-4 license plates for each motor vehicle owned by the person that has a
198-5 gross vehicle weight [~~carrying capacity~~] of 18,000 pounds [~~two~~
198-6 ~~tons~~] or less and is equipped with special equipment that:

198-7 (1) is designed to allow a person who has lost the use
198-8 of one or both of the person's legs to operate the vehicle; and

198-9 (2) is not standard equipment on that type of vehicle
198-10 for use by a person who has use of both legs.

198-11 SECTION 33.176. Section 504.202(b), Transportation Code,
198-12 is amended to read as follows:

198-13 (b) A veteran of the United States armed forces is entitled
198-14 to register, for the person's own use, two motor vehicles under this
198-15 section if:

198-16 (1) the person has suffered, as a result of military
198-17 service:

198-18 (A) at least a 50 percent service-connected
198-19 disability; or

198-20 (B) a 40 percent service-connected disability
198-21 because of the amputation of a lower extremity;

198-22 (2) the person receives compensation from the United
198-23 States because of the disability; and

198-24 (3) the motor vehicle:

198-25 (A) is owned by the person; and

198-26 (B) has a gross vehicle weight [~~manufacturer's~~
198-27 ~~rated carrying capacity~~] of 18,000 pounds [~~two tons~~] or less.

198-28 SECTION 33.177. Section 504.203(b), Transportation Code,
198-29 is amended to read as follows:

198-30 (b) An application for license plates under this section
198-31 must be accompanied by a written statement acknowledged [~~signed~~] by
198-32 the administrator or manager of the institution, facility, or
198-33 retirement community certifying that the institution, facility, or
198-34 retirement community regularly transports, as a part of the
198-35 services that the institution, facility, or retirement community
198-36 provides, one or more eligible persons who reside in the
198-37 institution, facility, or retirement community. The department
198-38 shall determine the eligibility of the institution, facility, or
198-39 retirement community on the evidence the applicant provides.

198-40 SECTION 33.178. Section 504.3011, Transportation Code, is
198-41 amended to read as follows:

198-42 Sec. 504.3011. DESIGN OF CERTAIN LICENSE PLATES FOR THE
198-43 MILITARY. [~~(a) License plates issued under Section 504.303 must~~
198-44 ~~at a minimum bear a color depiction of the emblem of the appropriate~~
198-45 ~~branch of the United States armed forces.~~

198-46 [~~(b) License plates issued under Section 504.308(a) or~~
198-47 ~~504.315(e), (f), or (g) must at a minimum bear a color depiction of~~
198-48 ~~the appropriate medal.~~

198-49 [(~~e~~)] The department shall design military license plates
198-50 that bear a color depiction of the emblem of the appropriate branch
198-51 of the United States armed forces or a color depiction of the
198-52 appropriate medal as provided by the United States Department of
198-53 Defense [~~to which this section applies in consultation with~~
198-54 ~~veterans organizations~~].

198-55 SECTION 33.179. Section 504.315(d), Transportation Code,
198-56 is amended to read as follows:

198-57 (d) The department shall issue specialty license plates for
198-58 survivors of the attack on Pearl Harbor on December 7, 1941. The
198-59 license plates must include the words "Pearl Harbor Survivor" [~~and~~
198-60 ~~must be consecutively numbered~~]. A person is eligible if the
198-61 person:

198-62 (1) served in the United States armed forces;

198-63 (2) was stationed in the Hawaiian Islands on December
198-64 7, 1941; and

198-65 (3) survived the attack on Pearl Harbor on December 7,
198-66 1941.

198-67 SECTION 33.180. Subchapter E, Chapter 504, Transportation
198-68 Code, is amended by adding Section 504.400 to read as follows:

198-69 Sec. 504.400. FEES FOR CERTAIN RESTRICTED PLATES. The

199-1 department shall issue, without charge, not more than three sets of
 199-2 specialty license plates under this subchapter.

199-3 SECTION 33.181. Section 504.401(a), Transportation Code,
 199-4 is amended to read as follows:

199-5 (a) The department shall issue [~~without charge~~] specialty
 199-6 license plates that include the words "State Official" to a state
 199-7 official. [~~The license plates must include the words "State~~
 199-8 ~~Official."~~]

199-9 SECTION 33.182. Section 504.402(a), Transportation Code,
 199-10 is amended to read as follows:

199-11 (a) The department shall issue [~~without charge~~] specialty
 199-12 license plates to [~~for~~] members of congress, which [~~License~~
 199-13 ~~plates issued under this section~~] must include the words "U.S.
 199-14 Congress."

199-15 SECTION 33.183. Section 504.403(a), Transportation Code,
 199-16 is amended to read as follows:

199-17 (a) The department shall issue [~~without charge~~] specialty
 199-18 license plates for a current or visiting state or federal judge.
 199-19 The license plates must include the words "State Judge" or "U.S.
 199-20 Judge," as appropriate.

199-21 SECTION 33.184. Section 504.403(d)(2), Transportation
 199-22 Code, is amended to read as follows:

199-23 (2) "State judge" means:
 199-24 (A) a justice of the supreme court;
 199-25 (B) a judge of the court of criminal appeals;
 199-26 (C) a judge of a court of appeals of this state;
 199-27 (D) a district court judge;
 199-28 (E) a presiding judge of an administrative
 199-29 judicial district; or
 199-30 (F) a statutory county court judge.

199-31 SECTION 33.185. Section 504.404, Transportation Code, is
 199-32 amended to read as follows:

199-33 Sec. 504.404. FEDERAL ADMINISTRATIVE LAW JUDGES.
 199-34 [~~(a)~~] The department shall issue [~~without charge~~] specialty
 199-35 license plates to [~~for~~] current federal administrative law judges
 199-36 that [~~The license plates shall~~] bear the words "U.S. A. L.
 199-37 Judge."

199-38 [~~(b) A person may be issued three sets of license plates~~
 199-39 ~~under this section.~~]

199-40 SECTION 33.186. Section 504.405(a), Transportation Code,
 199-41 is amended to read as follows:

199-42 (a) The department shall issue [~~without charge~~] specialty
 199-43 license plates for current county judges of this state that [~~The~~
 199-44 ~~license plates shall~~] bear the words "County Judge."

199-45 SECTION 33.187. Section 504.406, Transportation Code, is
 199-46 amended to read as follows:

199-47 Sec. 504.406. TEXAS CONSTABLES. The department shall issue
 199-48 [~~without charge~~] specialty license plates for Texas constables
 199-49 that [~~The license plates shall~~] bear the words "Texas Constable."

199-50 SECTION 33.188. Section 504.412, Transportation Code, is
 199-51 renumbered as Section 504.4061, Transportation Code, and is amended
 199-52 to read as follows:

199-53 Sec. 504.4061 [~~504.412~~]. FOREIGN ORGANIZATION VEHICLES.
 199-54 [~~(a)~~] The department shall issue specialty license plates for an
 199-55 instrumentality established by a foreign government recognized by
 199-56 the United States before January 1, 1979, that is without official
 199-57 representation or diplomatic relations with the United States. The
 199-58 license plates must include the words "Foreign Organization" [~~and~~
 199-59 ~~shall remain valid for five years.~~]

199-60 [~~(b) A person entitled to specialty license plates under~~
 199-61 ~~this section may register the vehicle without payment of any fee~~
 199-62 ~~paid for or at the time of registration].~~

199-63 SECTION 33.189. Section 504.509, Transportation Code, is
 199-64 transferred to Subchapter E, Chapter 504, Transportation Code, and
 199-65 renumbered as Section 504.414, Transportation Code, to read as
 199-66 follows:

199-67 Sec. 504.414 [~~504.509~~]. VEHICLES CARRYING MOBILE AMATEUR
 199-68 RADIO EQUIPMENT. (a) The department shall issue specialty license
 199-69 plates for a person who holds an amateur radio station license

200-1 issued by the Federal Communications Commission and who operates
 200-2 receiving and transmitting mobile amateur radio equipment. The
 200-3 license plates shall include the person's amateur call letters as
 200-4 assigned by the Federal Communications Commission. A person may
 200-5 register more than one vehicle equipped with mobile amateur radio
 200-6 equipment under this section, and the department shall issue
 200-7 license plates that include the same amateur call letters for each
 200-8 vehicle.

200-9 (b) The fee for issuance of the license plates is \$2 for the
 200-10 first year and \$1 for each subsequent year.

200-11 SECTION 33.190. The heading to Subchapter F, Chapter 504,
 200-12 Transportation Code, is amended to read as follows:

200-13 SUBCHAPTER F. SPECIALTY LICENSE PLATES WITH RESTRICTED
 200-14 DISTRIBUTION AND REGULAR LICENSE PLATE FEES [~~FOR CERTAIN VEHICLES~~]

200-15 SECTION 33.191. The heading to Section 504.501,
 200-16 Transportation Code, is amended to read as follows:

200-17 Sec. 504.501. CLASSIC MOTOR VEHICLES AND TRAVEL TRAILERS.

200-18 SECTION 33.192. Section 504.501(a), Transportation Code,
 200-19 is amended to read as follows:

200-20 (a) The department shall issue specialty license plates for
 200-21 a motor vehicle that is at least 25 years old. The license plates
 200-22 must include the word "Classic" [~~words "Classic Auto," "Classic
 200-23 Motorcycle," or "Classic Truck"~~] or a similar designation, as
 200-24 appropriate.

200-25 SECTION 33.193. The heading to Section 504.502,
 200-26 Transportation Code, is amended to read as follows:

200-27 Sec. 504.502. ANTIQUE [~~CERTAIN EXHIBITION~~] VEHICLES;
 200-28 OFFENSE.

200-29 SECTION 33.194. Sections 504.502(b) and (g),
 200-30 Transportation Code, are amended to read as follows:

200-31 (b) The license plates must include the words "Antique
 200-32 Vehicle." [~~words "Antique Auto," "Antique Truck," "Antique
 200-33 Motorcycle," or "Military Vehicle," as appropriate.~~]

200-34 (g) A person entitled to specialty license plates or to
 200-35 department approval under this section may register the vehicle
 200-36 without payment of any fees paid for or at the time of registration
 200-37 except the fee for the license plate. [~~An owner of a vehicle
 200-38 registered under this subsection who violates this section commits
 200-39 an offense. An offense under this section is a misdemeanor
 200-40 punishable by a fine of not less than \$5 or more than \$200.~~]

200-41 SECTION 33.195. Section 504.503, Transportation Code, is
 200-42 amended to read as follows:

200-43 Sec. 504.503. MUNICIPAL, MOTOR, AND PRIVATE BUSES.

200-44 [~~(a)~~] The department shall issue without charge specialty license
 200-45 plates for municipal buses, motor buses, and private buses. The
 200-46 license plates must include the words "City Bus," "Motor Bus," or
 200-47 "Private Bus," as appropriate.

200-48 [~~(b) In this section, "private bus" means a bus that:~~

200-49 [~~(1) is not operated for hire, and~~

200-50 [~~(2) is not classified as a municipal bus or a motor
 200-51 bus.~~]

200-52 SECTION 33.196. The heading to Section 504.506,
 200-53 Transportation Code, is amended to read as follows:

200-54 Sec. 504.506. [CERTAIN] LOG LOADER VEHICLES.

200-55 SECTION 33.197. (a) Section 504.510(d), Transportation
 200-56 Code, is amended to read as follows:

200-57 (d) This section applies only to an owner of a golf cart who
 200-58 resides:

200-59 (1) on real property that is owned or under the control
 200-60 of the United States Corps of Engineers and is required by that
 200-61 agency to register the owner's golf cart under this chapter; and

200-62 (2) in a county that borders another state and has a
 200-63 population of more than 110,000 but less than 140,000 [~~111,000~~].

200-64 (b) This section takes effect September 1, 2009.

200-65 SECTION 33.198. Sections 504.407, 504.408, 504.409,
 200-66 504.410, and 504.411, Transportation Code, are transferred to
 200-67 Subchapter F, Chapter 504, Transportation Code, renumbered as
 200-68 Sections 504.511, 504.512, 504.513, 504.514, and 504.515,
 200-69 Transportation Code, and amended to read as follows:

201-1 Sec. 504.511 [~~504.407~~]. PEACE OFFICERS WOUNDED OR KILLED
201-2 IN LINE OF DUTY. (a) The department shall issue specialty license
201-3 plates for:

201-4 (1) a person wounded in the line of duty as a peace
201-5 officer; or

201-6 (2) a surviving spouse, parent, brother, sister, or
201-7 adult child, including an adopted child or stepchild, of a person
201-8 killed in the line of duty as a peace officer.

201-9 (b) License plates issued under this section must include
201-10 the words "To Protect and Serve" above an insignia depicting a
201-11 yellow rose superimposed over the outline of a badge.

201-12 (c) The fee for issuance of the license plates is \$20.

201-13 (d) In this section, "peace officer" has the meaning
201-14 assigned by Section 1.07, Penal Code.

201-15 Sec. 504.512 [~~504.408~~]. GOLD STAR MOTHER, SPOUSE, OR
201-16 FAMILY MEMBER. (a) The department shall issue a specialty license

201-17 plate for the mother, surviving spouse, or immediate family member
201-18 of a person who died while serving in the United States armed
201-19 forces. License plates issued under this section must include the
201-20 words "Gold Star Mother," "Gold Star Spouse," or "Gold Star Family"
201-21 and a gold star. A person may not be issued more than one set of the
201-22 license plates at a time.

201-23 (a-1) In this section "immediate family member" means the
201-24 parent, child, or sibling of a person who died while serving in the
201-25 United States armed forces.

201-26 (b) The fee for issuance of the license plates is \$10.

201-27 Sec. 504.513 [~~504.409~~]. VOLUNTEER FIREFIGHTERS. (a) The
201-28 department shall issue specialty license plates for volunteer
201-29 firefighters certified by:

201-30 (1) the Texas Commission on Fire Protection; or

201-31 (2) the State Firemen's and Fire Marshals' Association
201-32 of Texas.

201-33 (b) The fee for issuance of the license plates is \$4.

201-34 (c) A person may be issued only one set of the license
201-35 plates.

201-36 Sec. 504.514 [~~504.410~~]. EMERGENCY MEDICAL SERVICES
201-37 PERSONNEL. (a) The department shall issue specialty license

201-38 plates for emergency medical services personnel certified by the
201-39 [~~Texas~~] Department of State Health Services under Subchapter C,
201-40 Chapter 773, Health and Safety Code.

201-41 (b) The fee for issuance of the license plates is \$8.

201-42 (c) A person may be issued only one set of the license
201-43 plates.

201-44 Sec. 504.515 [~~504.411~~]. HONORARY CONSULS. (a) The
201-45 department shall issue specialty license plates for a person who is

201-46 an honorary consul authorized by the United States to perform
201-47 consular duties. License plates issued under this section must
201-48 include the words "Honorary Consul."

201-49 (b) The fee for issuance of the license plates is \$40.

201-50 SECTION 33.199. Subchapter F, Chapter 504, Transportation
201-51 Code, is amended by adding Section 504.516 to read as follows:

201-52 Sec. 504.516. RENTAL TRAILER OR TRAVEL TRAILER FEE:
201-53 TRAILER OR SEMITRAILER. (a) The department may issue specially

201-54 designed license plates for rental trailers and travel trailers
201-55 that include, as appropriate, the words "rental trailer" or "travel
201-56 trailer."

201-57 (b) In this section:

201-58 (1) "Rental fleet" means vehicles that are designated
201-59 in the manner prescribed by the department as a rental fleet.

201-60 (2) "Rental trailer" means a utility trailer.

201-61 (3) "Travel trailer" has the meaning assigned by
201-62 Section 501.002.

201-63 SECTION 33.200. Section 504.614(a), Transportation Code,
201-64 is amended to read as follows:

201-65 (a) The department may issue specialty license plates that
201-66 include the name and insignia of a professional sports team located
201-67 in this state. The department shall design the license plates in
201-68 consultation with the professional sports team and may enter a
201-69 trademark license with the professional sports team or its league

202-1 to implement this section. A license plate may be issued under this
 202-2 section only for a professional sports team that:

202-3 (1) certifies to the department that the requirements
 202-4 of Section 504.702 are met [~~it has determined that at least 3,500~~
 202-5 ~~persons will apply for the plates~~]; and

202-6 (2) plays its home games in a facility constructed or
 202-7 operated, in whole or in part, with public funds.

202-8 SECTION 33.201. Section 504.615(a), Transportation Code,
 202-9 is amended to read as follows:

202-10 (a) The department shall issue specialty license plates
 202-11 that include the name and insignia of a college. The department
 202-12 shall design the license plates in consultation with the applicable
 202-13 college. The department may issue a license plate under this
 202-14 section only for a college that certifies to the department that the
 202-15 requirements of Section 504.702 are met [~~it has determined that at~~
 202-16 ~~least 1,500 persons will apply for the plates~~].

202-17 SECTION 33.202. Section 504.616(a), Transportation Code,
 202-18 is amended to read as follows:

202-19 (a) The department shall issue specialty license plates
 202-20 including the words "Texas Reads" that [~~"Texas Reads."~~ ~~The~~
 202-21 ~~department shall design the license plates to~~] incorporate one or
 202-22 more submissions from middle school students in a competition
 202-23 conducted by the department.

202-24 SECTION 33.203. Section 504.647(a), Transportation Code,
 202-25 is amended to read as follows:

202-26 (a) The department shall issue Fight Terrorism specialty
 202-27 license plates that [~~The license plates shall~~] include a
 202-28 pentagon-shaped border surrounding:

202-29 (1) the date "9-11-01" with the likeness of the World
 202-30 Trade Center towers forming the "11";

202-31 (2) the likeness of the United States flag; and

202-32 (3) the words "Fight Terrorism."

202-33 SECTION 33.204. Section 504.413, Transportation Code, is
 202-34 transferred to Subchapter G, Chapter 504, Transportation Code, and
 202-35 renumbered as Section 504.659, Transportation Code, to read as
 202-36 follows:

202-37 Sec. 504.659 [~~504.413~~]. MEMBERS OF AMERICAN LEGION. (a)
 202-38 The department shall issue specialty license plates for members of
 202-39 the American Legion. The license plates shall include the words
 202-40 "Still Serving America" and the emblem of the American Legion. The
 202-41 department shall design the license plates in consultation with the
 202-42 American Legion.

202-43 (b) The fee for the license plates is \$30.

202-44 (c) After deduction of \$8 to reimburse the department for
 202-45 its administrative costs, the remainder of the fee for issuance of
 202-46 the license plates shall be deposited to the credit of the American
 202-47 Legion, Department of Texas account in the state treasury. Money in
 202-48 the account may be used only by the Texas Veterans Commission in
 202-49 making grants to the American Legion Endowment Fund for
 202-50 scholarships and youth programs sponsored by the American Legion,
 202-51 Department of Texas.

202-52 SECTION 33.205. Section 504.702, Transportation Code, is
 202-53 amended by amending Subsection (b) and adding Subsections (e) and
 202-54 (f) to read as follows:

202-55 (b) The department may manufacture the specialty license
 202-56 plates only if a request for manufacture of the license plates is
 202-57 filed with the department. The request must be:

202-58 (1) made in [~~on~~] a manner prescribed [~~form adopted~~] by
 202-59 the department;

202-60 (2) filed before the fifth anniversary of the
 202-61 effective date of the law that authorizes the issuance of the
 202-62 specialty license plates; and

202-63 (3) accompanied by [~~+~~
 202-64 [~~A~~] a deposit of \$8,000 [~~+~~ ~~or~~
 202-65 [~~B~~] ~~applications for issuance of at least 1,900~~
 202-66 ~~sets of the license plates plus the fees for issuance of that number~~
 202-67 ~~of sets~~].

202-68 (e) The department may issue license plates under:

202-69 (1) Section 504.614 for a particular professional

203-1 sports team only if \$8,000 has been deposited with the department
 203-2 for that sports team; or

203-3 (2) Section 504.615 for a particular institution of
 203-4 higher education or private college or university only if \$8,000
 203-5 has been deposited with the department for that institution,
 203-6 college, or university.

203-7 (f) Money deposited with the department under Subsection
 203-8 (b)(3) or (e) shall be returned by the department to the person who
 203-9 made the deposit after 800 sets of plates have been issued.

203-10 SECTION 33.206. Sections 504.801(a) and (b),
 203-11 Transportation Code, are amended to read as follows:

203-12 (a) The department may create new specialty license plates
 203-13 on its own initiative or on receipt of an application from a
 203-14 potential sponsor. A new specialty license plate created under
 203-15 this section must comply with each requirement of Section 504.702
 203-16 unless the license is created by the department on its own
 203-17 initiative. The department may permit a specialty license plate
 203-18 created under this section to be personalized. The redesign of an
 203-19 existing specialty license plate at the request of a sponsor shall
 203-20 be treated like the issuance of a new specialty license plate [~~]~~
 203-21 ~~except that the department may require a lower deposit amount to~~
 203-22 ~~reflect the actual costs of redesigning the license plate].~~

203-23 (b) Any nonprofit entity [~~person~~] may submit an application
 203-24 to the department to sponsor a new specialty license plate [~~by~~
 203-25 ~~submitting an application to the department~~]. An application may
 203-26 nominate a state agency to receive funds derived from the issuance
 203-27 of the license plates. The application may also identify uses to
 203-28 which those funds should be appropriated.

203-29 SECTION 33.207. Section 504.851, Transportation Code, is
 203-30 amended by amending Subsections (a), (b), (c), (d), (f), (g), and
 203-31 (h) and adding Subsection (n) to read as follows:

203-32 (a) The department shall enter into a contract with the
 203-33 private vendor whose proposal is most advantageous to the state, as
 203-34 determined from competitive sealed proposals that satisfy the
 203-35 requirements of this section:

203-36 (1) [~~]~~ for the exclusive marketing and sale of
 203-37 souvenir or [~~+~~

203-38 [~~(1)~~] personalized license plates authorized by
 203-39 Section 504.101 with the exception that personalized plates issued
 203-40 before September 1, 2009, may be renewed in accordance with the law
 203-41 at that time; or

203-42 (2) for the marketing and sale of, with the agreement
 203-43 of the private vendor, other specialty license plates authorized by
 203-44 this subchapter.

203-45 (b) Instead of the fees established by Section 504.101(c),
 203-46 the commission by order [~~rule~~] shall establish fees for the
 203-47 issuance or renewal of personalized license or personalized
 203-48 souvenir plates that are marketed and sold by the private
 203-49 vendor. Fees must be reasonable and not less than the greater of:

203-50 (1) the amounts necessary to allow the department to
 203-51 recover all reasonable costs to the department associated with the
 203-52 evaluation of the competitive sealed proposals received by the
 203-53 department and with the implementation and enforcement of the
 203-54 contract, including direct, indirect, and administrative costs; or

203-55 (2) the amount established by Section 504.101(c).

203-56 (c) The commission by order [~~rule~~] shall establish standard
 203-57 [~~the~~] fees for the issuance or renewal of souvenir license plates,
 203-58 specialty license plates, or souvenir or specialty license plates
 203-59 that are personalized that are marketed and sold by the private
 203-60 vendor. Fees must be reasonable and not less than the amounts
 203-61 necessary to allow the department to recover all reasonable costs
 203-62 to the department associated with the evaluation of the competitive
 203-63 sealed proposals received by the department and with the
 203-64 implementation and enforcement of the contract, including direct,
 203-65 indirect, and administrative costs. A fee established under this
 203-66 subsection is in addition to:

203-67 (1) the registration fee and any optional registration
 203-68 fee prescribed by this chapter for the vehicle for which specialty
 203-69 license plates are issued;

204-1 (2) any additional fee prescribed by this subchapter
 204-2 for the issuance of specialty license plates for that vehicle; and

204-3 (3) any additional fee prescribed by this subchapter
 204-4 for the issuance of personalized license plates for that vehicle.

204-5 (d) Specialty license or specialty personalized plates may
 204-6 be sold for varying periods, including a permanent sale that may be
 204-7 made through auction. [At any time as necessary to comply with
 204-8 Subsection (b) or (c), the commission may increase or decrease the
 204-9 amount of a fee established under the applicable subsection.]

204-10 (f) The department may approve new design and color
 204-11 combinations for specialty or personalized license plates that are
 204-12 marketed and sold by a private vendor under a contract entered into
 204-13 with the private vendor. Each approved license plate design and
 204-14 color combination remains the property of the department.

204-15 (g) ~~[The department may approve new design and color~~
 204-16 ~~combinations for specialty license plates authorized by this~~
 204-17 ~~chapter, including specialty license plates that may be~~
 204-18 ~~personalized, that are marketed and sold by a private vendor under a~~
 204-19 ~~contract entered into with the private vendor. Each approved~~
 204-20 ~~license plate design and color combination remains the property of~~
 204-21 ~~the department.]~~ Except as otherwise provided by this chapter,
 204-22 this subsection does not authorize a [+
 204-23 [(1) the department to approve a design or color
 204-24 combination for a specialty license plate that is inconsistent with
 204-25 the design or color combination specified for the license plate by
 204-26 the section of this chapter that authorizes the issuance of the
 204-27 specialty license plate, or
 204-28 [(2) the] private vendor to market and sell a
 204-29 specialty license plate with a design or color combination that is
 204-30 issued as a license plate designed for a nonprofit organization
 204-31 [inconsistent with the design or color combination specified by
 204-32 that section].

204-33 (h) Subject to the limitations provided by Subsection
 204-34 [Subsections (g) and] (g-1), the department may cancel a license
 204-35 plate or require the discontinuation of a license plate design or
 204-36 color combination that is marketed and sold by a private vendor
 204-37 under contract at any time if the department determines that the
 204-38 cancellation or discontinuation is in the best interest of this
 204-39 state or the motoring public.

204-40 (n) If the vendor ceases operation, the program may be
 204-41 operated temporarily by the department until another vendor is
 204-42 selected and commences operation.

204-43 SECTION 33.208. Chapter 504, Transportation Code, is
 204-44 amended by adding Subchapter K to read as follows:

204-45 SUBCHAPTER K. TRANSFER AND REMOVAL OF LICENSE PLATES
 204-46 SECTION 33.209. Section 502.451, Transportation Code, is
 204-47 transferred to Subchapter K, Chapter 504, Transportation Code, as
 204-48 added by this Act, renumbered as Section 504.901, Transportation
 204-49 Code, and amended to read as follows:

204-50 Sec. 504.901 [502.451]. TRANSFER [OF _____ VEHICLE
 204-51 REGISTRATION] AND REMOVAL OF LICENSE PLATES. (a) On the sale or
 204-52 transfer of a motor vehicle [to a dealer, as defined by Section
 204-53 503.001, who holds a general distinguishing number issued under
 204-54 Chapter 503, the dealer shall remove] each license plate [and the
 204-55 registration insignia] issued for the motor vehicle shall be
 204-56 removed.

204-57 [(a-1) On a sale or transfer of a motor vehicle to a person
 204-58 that does not hold a general distinguishing number issued under
 204-59 Chapter 503, the seller or transferor may remove each license plate
 204-60 and the registration insignia issued for the motor vehicle.]
 204-61 (b) A license plate removed from a motor vehicle under
 204-62 Subsection (a) [or (a-1)] must be:

204-63 (1) transferred to another motor vehicle that is
 204-64 titled in the seller's name [disposed of in the manner specified by
 204-65 the department]; or

204-66 (2) transferred to a [another] vehicle that is
 204-67 purchased [owned] by the seller [or transferor as provided by
 204-68 Section 502.452].

204-69 (c) To be eligible for transfer, license plates must be

205-1 appropriate for the class of vehicle to which the plates are being
 205-2 transferred. If the vehicle is a different classification the
 205-3 owner must:

205-4 (1) pay the applicable title and vehicle registration
 205-5 fees;

205-6 (2) obtain a new registration insignia; and

205-7 (3) dispose of the license plates in the manner
 205-8 specified by the department, or if the applicant fails to remove and

205-9 transfer the license plates, purchase replacement license plates in
 205-10 accordance with this chapter. [The part of the registration period

205-11 remaining at the time of the sale or transfer shall continue with
 205-12 the vehicle being sold or transferred and does not transfer with the

205-13 license plates or registration validation insignia. To continue
 205-14 the remainder of the registration period, the purchaser or

205-15 transferee must file the documents required under Section 520.031.]
 205-16 SECTION 33.210. Chapter 504, Transportation Code, is

205-17 amended by adding Subchapter L to read as follows:
 205-18 SUBCHAPTER L. OFFENSES AND PENALTIES

205-19 Sec. 504.941. ANTIQUE VEHICLES; OFFENSE. (a) A person who
 205-20 violates Section 504.502 commits an offense. An offense under this

205-21 section is a misdemeanor punishable by a fine of not less than \$5 or
 205-22 more than \$200.

205-23 (b) It is an affirmative defense to prosecution under this
 205-24 section that at the time of the offense the vehicle was en route to

205-25 or from a location for the purpose of routine maintenance of the
 205-26 vehicle.

205-27 Sec. 504.942. LOG LOADER VEHICLES; PENALTIES. A vehicle
 205-28 operated in violation of Section 504.506 is considered to be

205-29 operated or moved while unregistered and is immediately subject to
 205-30 the applicable fees and penalties prescribed by this chapter.

205-31 Sec. 504.943. OPERATION OF VEHICLE WITHOUT LICENSE PLATE.
 205-32 (a) A person commits an offense if the person operates on a public

205-33 highway during a registration period:

205-34 (1) a passenger car, as defined by Section 541.201, or
 205-35 commercial motor vehicle that does not display two license plates

205-36 issued by the department and attached to the front and rear of the
 205-37 vehicle; or

205-38 (2) a road tractor, motorcycle, trailer, or
 205-39 semitrailer that does not display a license plate assigned by the

205-40 department and attached to the rear of the vehicle.

205-41 (b) Subsection (a) does not apply to a person who holds a
 205-42 general distinguishing number operating a vehicle as provided by

205-43 law.
 205-44 (c) An offense under this section is a misdemeanor

205-45 punishable by a fine not to exceed \$200.
 205-46 (d) A court may dismiss a charge brought under Subsection

205-47 (a) if the defendant:
 205-48 (1) remedies the defect before the defendant's first

205-49 court appearance; and
 205-50 (2) pays an administrative fee not to exceed \$10.

205-51 SECTION 33.211. Section 502.408, Transportation Code, is
 205-52 transferred to Subchapter L, Chapter 504, Transportation Code, as

205-53 added by this Act, renumbered as Section 504.944, Transportation
 205-54 Code, and amended to read as follows:

205-55 Sec. 504.944 [502.408]. OPERATION OF VEHICLE WITH WRONG
 205-56 LICENSE PLATE. [-(a)-] A person commits an offense if the person

205-57 operates, or as the owner permits another to operate, on a public
 205-58 highway a motor vehicle that has attached to it a number plate or

205-59 registration insignia issued for a different vehicle. An offense
 205-60 under this subsection is a misdemeanor punishable by a fine not to

205-61 exceed \$200.
 205-62 SECTION 33.212. Subchapter L, Chapter 504, Transportation

205-63 Code, as added by this Act, is amended by adding Section 504.945 to
 205-64 read as follows:

205-65 Sec. 504.945. WRONG, FICTITIOUS, ALTERED, OR OBSCURED
 205-66 LICENSE PLATE. (a) A person commits an offense if the person

205-67 attaches to or displays on a motor vehicle a license plate that:
 205-68 (1) is issued for a different motor vehicle;

205-69 (2) is issued for the vehicle under any other motor

206-1 vehicle law other than by the department;
 206-2 (3) is assigned for a registration period other than
 206-3 the registration period in effect;

206-4 (4) is fictitious;
 206-5 (5) has blurring or reflective matter that
 206-6 significantly impairs the readability of the name of the state in
 206-7 which the vehicle is registered or the letters or numbers of the
 206-8 license plate number at any time;

206-9 (6) has an attached illuminated device or sticker,
 206-10 decal, emblem, or other insignia that is not authorized by law and
 206-11 that interferes with the readability of the letters or numbers of
 206-12 the license plate number or the name of the state in which the
 206-13 vehicle is registered; or

206-14 (7) has a coating, covering, protective substance, or
 206-15 other material that:

206-16 (A) distorts angular visibility or
 206-17 detectability;

206-18 (B) alters or obscures one-half or more of the
 206-19 name of the state in which the vehicle is registered; or

206-20 (C) alters or obscures the letters or numbers of
 206-21 the license plate number or the color of the plate.

206-22 (b) Except as provided by Subsection (e), an offense under
 206-23 Subsection (a) is a misdemeanor punishable by a fine of not more
 206-24 than \$200, unless it is shown at the trial of the offense that the
 206-25 owner knowingly altered or made illegible the letters, numbers, and
 206-26 other identification marks, in which case the offense is a Class B
 206-27 misdemeanor.

206-28 (c) Subsection (a)(7) may not be construed to apply to:

206-29 (1) a trailer hitch installed on a vehicle in a normal
 206-30 or customary manner;

206-31 (2) a transponder, as defined by Section 228.057, that
 206-32 is attached to a vehicle in the manner required by the issuing
 206-33 authority;

206-34 (3) a wheelchair lift or wheelchair carrier that is
 206-35 attached to a vehicle in a normal or customary manner;

206-36 (4) a trailer being towed by a vehicle; or

206-37 (5) a bicycle or motorcycle rack that is attached to a
 206-38 vehicle in a normal or customary manner.

206-39 (d) A court may dismiss a charge brought under Subsection
 206-40 (a)(3), (5), (6), or (7) if the defendant:

206-41 (1) remedies the defect before the defendant's first
 206-42 court appearance; and

206-43 (2) pays an administrative fee not to exceed \$10.

206-44 (e) An offense under Subsection (a)(4) is a Class B
 206-45 misdemeanor.

206-46 SECTION 33.213. Subchapter A, Chapter 520, Transportation
 206-47 Code, is amended by adding Sections 520.003 and 520.004 to read as
 206-48 follows:

206-49 Sec. 520.003. RULES. The department may adopt rules to
 206-50 administer this chapter.

206-51 Sec. 520.004. DEPARTMENT RESPONSIBILITIES. The department
 206-52 has jurisdiction over the registration and titling of, and the
 206-53 issuance of license plates to, motor vehicles in compliance with
 206-54 the applicable statutes. The department:

206-55 (1) shall provide services that are reasonable,
 206-56 adequate, and efficient;

206-57 (2) shall establish standards for service quality; and

206-58 (3) may enter into an agreement with a person involved
 206-59 in transaction processing, including a lienholder or an electronic
 206-60 verification service, only to facilitate the processing of
 206-61 electronic title benefits so as to benefit this state and minimize
 206-62 inconveniences to the general public.

206-63 SECTION 33.214. Section 501.137, Transportation Code, is
 206-64 transferred to Subchapter A, Chapter 520, Transportation Code,
 206-65 renumbered as Section 520.005, Transportation Code, and amended to
 206-66 read as follows:

206-67 Sec. 520.005 [501.137]. DUTY OF COUNTY
 206-68 ASSESSOR-COLLECTOR. (a) Each county assessor-collector shall
 206-69 comply with Chapter 501 [~~this chapter~~].

207-1 (b) An assessor-collector who fails or refuses to comply
207-2 with Chapter 501 [~~this chapter~~] is liable on the
207-3 assessor-collector's official bond for resulting damages suffered
207-4 by any person.

207-5 SECTION 33.215. Section 502.109, Transportation Code, is
207-6 transferred to Subchapter A, Chapter 520, Transportation Code,
207-7 renumbered as Section 520.006, Transportation Code, and amended to
207-8 read as follows:

207-9 Sec. 520.006 [~~502.109~~]. COMPENSATION OF
207-10 ASSESSOR-COLLECTOR. (a) A county assessor-collector shall receive
207-11 a fee of \$1.90 for each receipt issued under Chapter 502 [~~this~~
207-12 ~~chapter. If the assessor-collector may be compensated by fees, a~~
207-13 ~~fee received is compensation for services under this chapter. The~~
207-14 ~~assessor-collector shall deduct the fee weekly from the gross~~
207-15 ~~collections made under this chapter~~].

207-16 (b) A county assessor-collector who is compensated under
207-17 this section shall pay the entire expense of issuing registration
207-18 receipts and license plates under Chapter 501 or 502 [~~this chapter~~]
207-19 from the compensation allowed under this section.

207-20 SECTION 33.216. Section 502.111, Transportation Code, is
207-21 transferred to Subchapter A, Chapter 520, Transportation Code,
207-22 renumbered as Section 520.007, Transportation Code, and amended to
207-23 read as follows:

207-24 Sec. 520.007 [~~502.111~~]. COUNTY BRANCH OFFICES. (a) The
207-25 commissioners court of a county may authorize the county
207-26 assessor-collector to:

207-27 (1) establish a suboffice or branch office for vehicle
207-28 registration at one or more locations in the county other than the
207-29 county courthouse; or

207-30 (2) appoint a deputy to register vehicles in the same
207-31 manner and with the same authority as though done in the office of
207-32 the assessor-collector.

207-33 (b) The report of vehicles registered through a suboffice or
207-34 branch office shall be made through the office of the county
207-35 assessor-collector.

207-36 SECTION 33.217. Section 502.114, Transportation Code, is
207-37 transferred to Subchapter A, Chapter 520, Transportation Code,
207-38 renumbered as Section 520.008, Transportation Code, and amended to
207-39 read as follows:

207-40 Sec. 520.008 [~~502.114~~]. FULL-SERVICE DEPUTIES. (a) A
207-41 full-service deputy appointed under Section 520.0091 [~~502.112~~]
207-42 shall accept any application for registration, registration
207-43 renewal, or title transfer that the county assessor-collector may
207-44 accept.

207-45 (b) A full-service deputy may charge and retain an
207-46 additional motor vehicle registration fee not to exceed \$5 for each
207-47 motor vehicle registration issued.

207-48 (c) A county assessor-collector may delegate to a
207-49 full-service deputy, in the manner selected by the
207-50 assessor-collector, the authority to use data processing equipment
207-51 and software provided by the department for use in the titling and
207-52 registration of motor vehicles. The department may not limit a
207-53 county assessor-collector's ability to delegate the
207-54 assessor-collector's functions regarding the titling and
207-55 registration of motor vehicles to a qualified full-service deputy
207-56 in the manner the assessor-collector considers appropriate.

207-57 SECTION 33.218. Section 502.113, Transportation Code, is
207-58 transferred to Subchapter A, Chapter 520, Transportation Code,
207-59 renumbered as Section 520.009, Transportation Code, and amended to
207-60 read as follows:

207-61 Sec. 520.009 [~~502.113~~]. LIMITED-SERVICE DEPUTIES. (a) A
207-62 limited-service deputy appointed under Section 520.0091 [~~502.112~~]
207-63 may only accept registration renewal cards provided by the
207-64 department and may not prepare or accept an application for title
207-65 transfer.

207-66 (b) The county assessor-collector may pay a limited-service
207-67 deputy an amount not to exceed the fee the assessor-collector could
207-68 collect under Section 520.006(a) [~~502.109(a)~~] for each
207-69 registration receipt issued. The commissioners court of the county

208-1 may permit a limited-service deputy to charge and retain an
 208-2 additional fee not to exceed \$1 for each registration receipt
 208-3 issued.

208-4 SECTION 33.219. Section 502.112, Transportation Code, is
 208-5 transferred to Subchapter A, Chapter 520, Transportation Code, and
 208-6 renumbered as Section 520.0091, Transportation Code, to read as
 208-7 follows:

208-8 Sec. 520.0091 [~~502.112~~]. DEPUTY ASSESSOR-COLLECTORS. (a)
 208-9 A county assessor-collector, with the approval of the commissioners
 208-10 court of the county, may deputize an individual or business entity
 208-11 to:

208-12 (1) issue motor vehicle registration receipts as a
 208-13 limited-service deputy; or

208-14 (2) issue motor vehicle registration receipts and
 208-15 prepare or accept applications for title transfers as a
 208-16 full-service deputy.

208-17 (b) An individual or business entity is eligible to be
 208-18 deputized as a limited-service deputy if the person:

208-19 (1) is trained to issue registration receipts by the
 208-20 county assessor-collector; and

208-21 (2) posts a bond payable to the county
 208-22 assessor-collector:

208-23 (A) in an amount determined by the
 208-24 assessor-collector; and

208-25 (B) conditioned on the person's proper
 208-26 accounting and remittance of all fees the person collects.

208-27 (c) An individual or business entity is eligible to be
 208-28 deputized as a full-service deputy if the person:

208-29 (1) meets the requirements of Subsection (b); and

208-30 (2) has experience in title transfers.

208-31 (d) A person deputized under this section shall keep a
 208-32 separate account of the fees collected and a record of daily
 208-33 receipts.

208-34 SECTION 33.220. Section 501.136, Transportation Code, is
 208-35 transferred to Subchapter A, Chapter 520, Transportation Code,
 208-36 renumbered as Section 520.0092, Transportation Code, and amended to
 208-37 read as follows:

208-38 Sec. 520.0092 [~~501.136~~]. ACTS BY DEPUTY COUNTY
 208-39 ASSESSOR-COLLECTOR. A deputy county assessor-collector, other
 208-40 than a limited service deputy appointed under Section 520.0091
 208-41 [~~502.112~~], may perform the duties of an assessor-collector under
 208-42 Chapter 501 [~~this chapter~~].

208-43 SECTION 33.221. Section 520.002, Transportation Code, is
 208-44 renumbered as Section 520.0093, Transportation Code, and amended to
 208-45 read as follows:

208-46 Sec. 520.0093 [~~520.002~~]. LEASE OF ADDITIONAL COMPUTER
 208-47 EQUIPMENT. (a) This section applies only to the lease of equipment
 208-48 [~~to a county~~] for the operation of the automated registration and
 208-49 titling [~~title~~] system in addition to the equipment provided by the
 208-50 department at no cost to the county under a formula prescribed by
 208-51 the department.

208-52 (b) On the request of the tax assessor-collector of a
 208-53 county, the department may enter into an agreement with the
 208-54 commissioners court of that county under which the department
 208-55 leases additional equipment to the county for the use of the tax
 208-56 assessor-collector in operating the automated registration and
 208-57 titling [~~title~~] system in that county.

208-58 (c) A county may install equipment leased under this section
 208-59 at offices of the county or of an agent of the county.

208-60 (d) Equipment leased under this section:

208-61 (1) remains the property of the department; and

208-62 (2) must be used primarily for the automated
 208-63 registration and titling [~~title~~] system.

208-64 (e) Under the agreement, the department shall charge [~~the~~
 208-65 ~~county~~] an amount not less than the amount of the cost to the
 208-66 department to provide the additional equipment and any related
 208-67 services under the lease. All money collected under the lease shall
 208-68 be deposited to the credit of the state highway fund.

208-69 SECTION 33.222. The heading to Subchapter B, Chapter 520,

209-1 Transportation Code, is amended to read as follows:

209-2 SUBCHAPTER B. ADMINISTRATIVE PROVISIONS [~~MOTOR NUMBER RECORD~~
209-3 REQUIREMENTS]

209-4 SECTION 33.223. Subchapter B, Chapter 520, Transportation
209-5 Code, is amended by adding Sections 520.015 and 520.016 to read as
209-6 follows:

209-7 Sec. 520.015. REGISTRATION AND INSPECTION CONSOLIDATION
209-8 STUDY. (a) In consultation with the Texas Commission on
209-9 Environmental Quality, the department and the Department of Public
209-10 Safety shall conduct a joint study on the feasibility of
209-11 consolidation of the state's motor vehicle registration and
209-12 compulsory inspection procedures in a manner that will allow
209-13 completion of annual registration and compulsory inspection
209-14 requirements as part of a single process. The study must address
209-15 recommendations for:

- 209-16 (1) consolidating shared records and information;
209-17 (2) the manner in which registration and inspection
209-18 fees collected will be distributed;
209-19 (3) oversight regarding implementation of the
209-20 consolidated procedures;
209-21 (4) transition from the current separate procedures to
209-22 the consolidated procedures; and
209-23 (5) other related issues the departments consider
209-24 appropriate.

209-25 (b) The departments shall share the cost of the study in
209-26 equal amounts.

209-27 Sec. 520.016. MERGER OR CONSOLIDATION OF SHARED INFORMATION
209-28 STUDY. (a) In consultation with the Texas Commission on
209-29 Environmental Quality, the department and the Department of Public
209-30 Safety shall conduct a joint study on the merger or consolidation of
209-31 similar information that is collected separately by each agency.
209-32 The study should include the feasibility of establishing a database
209-33 interface software system that:

- 209-34 (1) sufficiently protects the privacy of the public;
209-35 (2) sufficiently protects the security and integrity
209-36 of information provided;
209-37 (3) increases public convenience;
209-38 (4) is cost-effective; and
209-39 (5) improves the coordination of regulatory
209-40 resources.

209-41 (b) The implementing agencies may facilitate the
209-42 implementation of the merger or consolidation, assist in the
209-43 development of rules, and coordinate a testing phase.

209-44 SECTION 33.224. Section 520.036, Transportation Code, is
209-45 transferred to Subchapter B, Chapter 520, Transportation Code, and
209-46 renumbered as Section 520.017, Transportation Code, to read as
209-47 follows:

209-48 Sec. 520.017 [~~520.036~~]. GENERAL PENALTY. (a) A person
209-49 commits an offense if the person violates this subchapter in a
209-50 manner for which a specific penalty is not provided.

209-51 (b) An offense under this section is a misdemeanor
209-52 punishable by a fine of not less than \$50 and not more than \$200.

209-53 SECTION 33.225. Section 520.051(5), Transportation Code,
209-54 is amended to read as follows:

209-55 (5) "Title service record" means the written or
209-56 electronic record for each transaction in which a motor vehicle
209-57 title service receives compensation.

209-58 SECTION 33.226. Section 681.003(b), Transportation Code,
209-59 is amended to read as follows:

- 209-60 (b) An application for a disabled parking placard must be:
209-61 (1) on a form furnished by the department;
209-62 (2) submitted to the county assessor-collector of the
209-63 county in which the person with the disability resides; and
209-64 (3) accompanied by a fee of \$5 if the application is
209-65 for a temporary placard.

209-66 SECTION 33.227. Section 386.251(c), Health and Safety Code,
209-67 is amended to read as follows:

- 209-68 (c) The fund consists of:
209-69 (1) the amount of money deposited to the credit of the

- 210-1 fund under:
- 210-2 (A) Section 386.056;
- 210-3 (B) Sections 151.0515 and 152.0215, Tax Code; and
- 210-4 (C) Sections 501.138, 502.358 [~~502.1675~~], and
- 210-5 548.5055, Transportation Code; and
- 210-6 (2) grant money recaptured under Section 386.111(d).
- 210-7 SECTION 33.228. The following provisions of the
- 210-8 Transportation Code are repealed:
- 210-9 (1) Sections 501.026 and 501.075;
- 210-10 (2) Section 501.091(4);
- 210-11 (3) Sections 501.094, 501.099, and 501.133;
- 210-12 (4) Sections 501.134(e) and (f);
- 210-13 (5) Sections 502.007, 502.0074, 502.0075, 502.008,
- 210-14 502.104, 502.105, 502.1535, 502.154, 502.1585, 502.168, 502.175,
- 210-15 502.177, 502.187, 502.206, 502.271, 502.2862, 502.2971, 502.403,
- 210-16 and 502.405;
- 210-17 (6) Section 502.407(c);
- 210-18 (7) Section 502.412(c);
- 210-19 (8) Sections 502.452, 502.453, and 502.455;
- 210-20 (9) Section 504.401(b);
- 210-21 (10) Section 504.402(b);
- 210-22 (11) Section 504.403(b);
- 210-23 (12) Section 504.405(b);
- 210-24 (13) Section 504.5011;
- 210-25 (14) Section 504.502(j);
- 210-26 (15) Section 504.506(f);
- 210-27 (16) Section 504.507(c);
- 210-28 (17) Section 504.508(d);
- 210-29 (18) Sections 504.620, 504.624, 504.629, 504.634,
- 210-30 504.643, 504.649, 504.650, 504.653, 504.655, and 504.701;
- 210-31 (19) Section 504.702(c);
- 210-32 (20) Section 504.801(h);
- 210-33 (21) Sections 504.851(e) and (k); and
- 210-34 (22) Sections 520.013 and 520.034.

210-35 SECTION 33.229. (a) The change in law made by this article
 210-36 applies only to an offense committed on or after January 1, 2013.

210-37 (b) An offense committed before January 1, 2013, is covered
 210-38 by the law in effect when the offense was committed, and the former
 210-39 law is continued in effect for that purpose. For purposes of this
 210-40 subsection, an offense was committed before January 1, 2013, if any
 210-41 element of the offense was committed before that date.

210-42 SECTION 33.230. (a) Except as otherwise provided by this
 210-43 article, this article takes effect January 1, 2013.

210-44 (b) This section, Section 40.029 of this article, amending
 210-45 Section 501.053, Transportation Code, and Section 40.207 of this
 210-46 article, amending Section 504.851, Transportation Code, take
 210-47 effect immediately if this Act receives a vote of two-thirds of all
 210-48 the members elected to each house, as provided by Section 39,
 210-49 Article III, Texas Constitution. If this Act does not receive the
 210-50 vote necessary for immediate effect, this section and Section
 210-51 40.207 of this article take effect September 1, 2009.

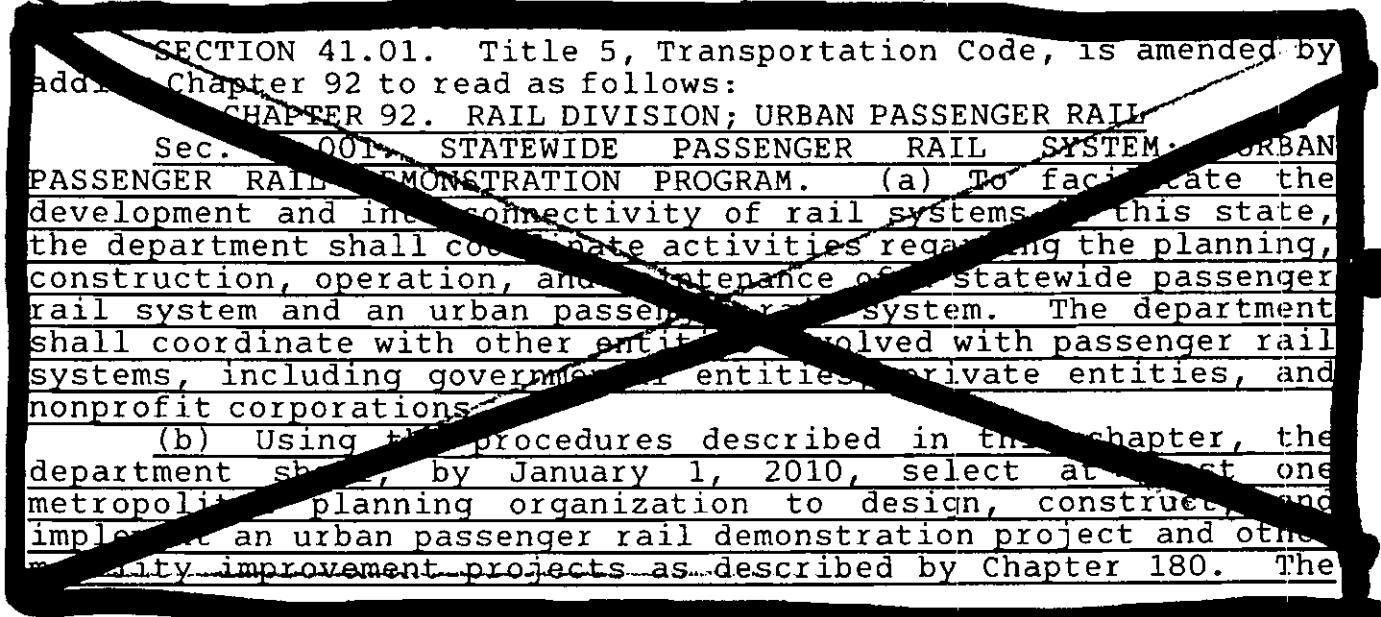
210-52 SECTION 41.01. Title 5, Transportation Code, is amended by
 210-53 adding Chapter 92 to read as follows:

210-54 CHAPTER 92. RAIL DIVISION; URBAN PASSENGER RAIL

210-55 Sec. 1001. STATEWIDE PASSENGER RAIL SYSTEM; URBAN

210-56 PASSENGER RAIL DEMONSTRATION PROGRAM. (a) To facilitate the
 210-57 development and interconnectivity of rail systems in this state,
 210-58 the department shall coordinate activities regarding the planning,
 210-59 construction, operation, and maintenance of a statewide passenger
 210-60 rail system and an urban passenger rail system. The department
 210-61 shall coordinate with other entities involved with passenger rail
 210-62 systems, including governmental entities, private entities, and
 210-63 nonprofit corporations.

210-64 (b) Using the procedures described in this chapter, the
 210-65 department shall, by January 1, 2010, select at least one
 210-66 metropolitan planning organization to design, construct, and
 210-67 implement an urban passenger rail demonstration project and other
 210-68 community improvement projects as described by Chapter 180. The



1 ~~Transportation district in which the officer operates may send a~~
2 ~~written, signed complaint to the commissioners court.~~

3 ~~[(b)] On receipt of the complaint, the commissioners court~~
4 ~~shall hold a hearing and summon the officer to appear before it.~~

5 ~~[(c)] If the commissioners court determines at the hearing~~
6 ~~that the officer has not performed the officer's duty, the~~
7 ~~commissioners court shall immediately discharge the officer and~~
8 ~~promptly employ another officer.~~

9 ~~[(d)] The commissioners court on its own initiative, or on~~
10 ~~recommendation of the sheriff, may dismiss a court traffic officer~~
11 ~~if the officer is no longer needed or if the officer's service is~~
12 ~~unsatisfactory.~~

13 SECTION 41.02. Section 701.002(b), Transportation Code,
14 repealed.

15 ARTICLE 34. ABANDONED AND JUNKED VEHICLES

16 SECTION 34.01. Section 683.071, Transportation Code, is
17 amended to read as follows:

18 Sec. 683.071. DEFINITION. In this subchapter, "junked
19 vehicle" means a vehicle that is self-propelled and:

20 (1) displays an expired license plate or invalid motor
21 vehicle inspection certificate or does not display a license plate
22 or motor vehicle inspection certificate; and [have lawfully
23 attached to it.

24 ~~[(A)] an unexpired license plate, and~~

25 ~~[(B)] a valid motor vehicle inspection~~
26 ~~certificate, and]~~

27 (2) is:

1 (A) wrecked, dismantled or partially dismantled,
2 or discarded; or

3 (B) inoperable and has remained inoperable for
4 more than:

5 (i) 72 consecutive hours, if the vehicle is
6 on public property; or

7 (ii) 30 consecutive days, if the vehicle is
8 on private property.

9 ARTICLE 35. TRANSPORTATION OF FIREWORKS

10 SECTION 35.01. Chapter 750, Transportation Code, is amended
11 by adding Section 750.004 to read as follows:

12 Sec. 750.004. TRANSPORTATION OF FIREWORKS. The
13 transportation of fireworks in unopened and original packaging may
14 not be prohibited or regulated.

15 ARTICLE 44. K-9 LAW ENFORCEMENT VEHICLES

16 SECTION 44.01. Subchapter A, Chapter 821, Health and Safety
17 Code, is amended by adding Section 821.005 to read as follows:

18 Sec. 821.005. HEAT ALARM SYSTEM IN K-9 LAW ENFORCEMENT
19 VEHICLES. (a) In this section, "law enforcement agency" means:

- 20 (1) the Department of Public Safety;
21 (2) the sheriff's department of a county; or
22 (3) the police department of a municipality.

23 (b) A law enforcement agency may equip each vehicle used in
24 a K-9 law enforcement program with a heat alarm system that is
25 activated when the vehicle stops running or the temperature in the
26 vehicle's interior becomes dangerous to a police dog in the
27 vehicle. The system when activated must:

- 1 (1) activate an audible alarm;
2 (2) automatically lower the vehicle's rear windows;
3 and
4 (3) page 6 K-9 law enforcement officer.

5 (c) This section does not apply to an open-air vehicle used
6 in connection with a K-9 law enforcement program.

7 SECTION 44.02. Vehicle used in a K-9 law enforcement
8 program equipped with a heat alarm system on the effective date of
9 this Act is not required to meet the standards under Section
10 821.005, Health and Safety Code, as added by this Act, before
11 January 1, 2011.

12 ARTICLE 36 ACCEPTANCE OF ELECTRONIC CHECK AND CREDIT CARD

13 PAYMENTS BY COUNTY TAX ASSESSOR-COLLECTORS

14 SECTION 36.01. Subchapter A, Chapter 130, Local Government
15 Code, is amended by adding Section 130.0025 to read as follows:

16 Sec. 130.0025. REQUIRED ACCEPTANCE OF CHECK OR CREDIT CARD
17 PAYMENT. Notwithstanding Section 130.002, a county tax
18 assessor-collector shall accept a check or credit card invoice for
19 the payment of:

- 20 (1) motor vehicle registration fees under Chapter 502,
21 Transportation Code; and
22 (2) motor vehicle title transfer fees under Chapter
23 501, Transportation Code.

24 SECTION 36.02. Subchapter B, Chapter 130, Local Government
25 Code, is amended by adding Section 130.00465 to read as follows:

26 Sec. 130.00465. REQUIRED ACCEPTANCE OF PAYMENTS BY
27 ELECTRONIC MEANS. Notwithstanding Section 130.0046, a county tax

1 assessor-collector shall accept payment by electronic means as
2 conditional payment of a county or state fee or tax.

3 ARTICLE 47. TEMPORARY TAGS FOR MOTOR VEHICLES

4 SECTION 47.01. Subchapter C, Chapter 503, Transportation
5 Code, is amended by adding Section 503.0619 to read as follows:

6 Sec. 503.0619. TEMPORARY TAG MATERIAL. (a) The department
7 shall evaluate:

8 (1) the material authorized for use in a temporary
9 motor vehicle tag;

10 (2) alternative materials available for use in a
11 temporary motor vehicle tag;

12 (3) the visibility of various tag materials in
13 different types of weather and light conditions; and

14 (4) the effectiveness of various tag materials.

15 (b) The department shall seek the assistance of law
16 enforcement in evaluating the materials to be used in the temporary
17 motor vehicle tags.

18 (c) If the department determines that the materials
19 currently authorized for use in temporary motor vehicle tags are
20 not effective, the commission shall by rule adopt new
21 specifications for temporary motor vehicle tags.

22 (d) The department shall complete the evaluation required
23 by this section not later than September 1, 2010.

24 (e) This section expires January 1, 2011.

25 [REDACTED]

26 [REDACTED]

65-1
65-2 employee in charge of training persons to handle an incident
65-3 related to hazardous materials.

65-4 (c) Section 3, Chapter 350 (S.B. 1101), Acts of the 71st
65-5 Legislature, Regular Session, 1989 (Article 6419c, Vernon's Texas
65-6 Civil Statutes), is amended to read as follows:

65-7 Sec. 3. DISTRIBUTION. (a) The department [commission]
65-8 shall compile information submitted to the department [commission]
65-9 under this act for distribution to:

65-10 (1) local emergency management agencies located in
65-11 jurisdictions containing reported railroad operations; and

65-12 (2) the metropolitan planning organizations for those
65-13 jurisdictions.

65-14 (b) At least once each year the division of emergency
65-15 management shall distribute the information compiled by the
65-16 department [commission] to the appropriate officials for inclusion
65-17 in local emergency management plans.

65-18 ARTICLE 10. ELECTRONIC SIGNS

65-19 SECTION 10.01. Chapter 544, Transportation Code, is amended
65-20 by adding Section 544.013 to read as follows:

65-21 Sec. 544.013. CHANGEABLE MESSAGE SIGN SYSTEM. (a) In this
65-22 section, "changeable message sign" means a sign that conforms to
65-23 the manual and specification adopted under Section 544.001. The
65-24 term includes a dynamic message sign.

65-25 (b) The Texas Department of Transportation shall actively
65-26 manage a system of changeable message signs located on highways
65-27 under the jurisdiction of that department to mitigate traffic
65-28 congestion by providing current information to the traveling
65-29 public, including information about traffic incidents, weather
65-30 conditions, road construction, and alternative routes.

65-31 ARTICLE 11. COUNTY TRAFFIC OFFICERS

65-32 SECTION 11.01. Section 701.006, Transportation Code, is
65-33 amended to read as follows:

65-34 Sec. 701.006. [COMPLAINT, HEARING, DISMISSAL.] [(a) If
65-35 a county traffic officer fails to perform the officer's duty to
65-36 enforce the law, the district engineer of the Texas Department of
65-37 Transportation district in which the officer operates may send
65-38 a written, signed complaint to the commissioners court.

65-39 [(b) On receipt of the complaint, the commissioners court
65-40 shall hold a hearing and summon the officer to appear before it.

65-41 [(c) If the commissioners court determines at the hearing
65-42 that the officer has not performed the officer's duty, the
65-43 commissioners court shall immediately discharge the officer and
65-44 promptly employ another officer.

65-45 [(d)] The commissioners court on its own initiative, or on
65-46 recommendation of the sheriff, may dismiss a county traffic officer
65-47 if the officer is no longer needed or if the officer's services are
65-48 unsatisfactory.

65-49 SECTION 11.02. Section 701.002(b), Transportation Code, is

65-50 ARTICLE 30. ISSUANCE OF GENERAL OBLIGATION BONDS FOR HIGHWAY
65-51 IMPROVEMENT PROJECTS

65-52 SECTION 30.01. Subchapter A, Chapter 222, Transportation
65-53 Code, is amended by adding Section 222.005 to read as follows:

65-54 Sec. 222.005. ISSUANCE OF GENERAL OBLIGATION BONDS FOR
65-55 HIGHWAY IMPROVEMENT PROJECTS. (a) In this section:

65-56 (1) "Bonds" means bonds, notes, and other public
65-57 securities.

65-58 (2) "Credit agreement" has the meaning assigned by
65-59 Section 1371.001, Government Code.

65-60 (3) "Improvement" includes acquisition of the
65-61 highway, construction, reconstruction, and major maintenance,
65-62 including any necessary design, and the acquisition of
65-63 rights-of-way.

65-64 (b) The commission by order or resolution may issue general
65-65 obligation bonds for the purposes provided in this section. The
65-66 aggregate principal amount of the bonds that are issued may not
65-67 exceed the amount specified by Section 49-p(a), Article III, Texas
65-68 Constitution.

65-69

66-1 (c) The commission may enter into credit agreements
66-2 relating to the bonds. A credit agreement entered into under this
66-3 section may be secured by and payable from the same sources as the
66-4 bonds.

66-5 (d) The bonds shall be executed in the form, on the terms,
66-6 and in the denominations, bear interest, and be issued in
66-7 installments as prescribed by the commission, and must mature not
66-8 later than 30 years after their dates of issuance, subject to any
66-9 refundings or renewals. The bonds may be issued in multiple series
66-10 and issues from time to time and may have the provisions the
66-11 commission determines appropriate and in the interest of the state.

66-12 (e) The commission has all powers necessary or appropriate
66-13 to carry out this section and to implement Section 49-p, Article
66-14 III, Texas Constitution, including the powers granted to other
66-15 bond-issuing governmental agencies and units and to nonprofit
66-16 corporations by Chapters 1201, 1207, and 1371, Government Code.

66-17 (f) The bonds and the record of proceedings authorizing the
66-18 bonds and any related credit agreements shall be submitted to the
66-19 attorney general for approval as to their legality. If the attorney
66-20 general finds that they will be issued in accordance with this
66-21 section and other applicable law, the attorney general shall
66-22 approve them, and, after payment by the purchasers of the
66-23 obligations in accordance with the terms of sale and after
66-24 execution and delivery of the related credit agreements, the
66-25 obligations and related credit agreements are incontestable for any
66-26 cause.

66-27
66-28 purposes:

66-29 (1) to pay all or part of the costs of highway
66-30 improvement projects;

66-31 (2) to pay:

66-32 (A) the costs of administering projects
66-33 authorized under this section;

66-34 (B) the cost or expense of the issuance of the
66-35 bonds; or

66-36 (C) all or part of a payment owed or to be owed
66-37 under a credit agreement; and

66-38 (3) to provide money for deposit in the Texas
66-39 Transportation Revolving Fund or similar revolving fund authorized
66-40 by law, to be used for the purpose of making loans for highway
66-41 improvement projects provided by law.

66-42 (h) The proceeds from the issuance and sale of the bonds may
66-43 not be expended or used for the purposes authorized under this
66-44 section unless those proceeds have been appropriated by the
66-45 legislature.

66-46 (i) The comptroller shall pay the principal of the bonds as
66-47 they mature and the interest as it becomes payable and shall pay any
66-48 cost related to the bonds that becomes due, including payments
66-49 under credit agreements.

66-50 SECTION 12.02. This article does not make an appropriation.
66-51 This article takes effect only if a specific appropriation for the
66-52 implementation of the article is provided in a general
66-53 appropriations act of the 81st Legislature.

66-54 SECTION 12.03. Except as provided by Section 12.02 of this
66-55 article, this article takes effect immediately if this Act receives
66-56 a vote of two-thirds of all the members elected to each house, as
66-57 provided by Section 39, Article III, Texas Constitution. If this
66-58 Act does not receive the vote necessary for immediate effect, this
66-59 article takes effect September 1, 2009, except as provided by
66-60 Section 12.02 of this article.

66-61 ARTICLE 13. METROPOLITAN PLANNING ORGANIZATIONS

66-62 SECTION 13.01. Section 472.034, Transportation Code, is
66-63 amended to read as follows:

66-64 Sec. 472.034. STANDARDS OF CONDUCT; ETHICS POLICY. (a) A
66-65 policy board member or employee of a metropolitan planning
66-66 organization may not:

66-67 (1) accept or solicit any gift, favor, or service that
66-68 might reasonably tend to influence the member or employee in the
66-69 discharge of official duties or that the member or employee knows or

1 (g) Bonds may be issued for one or more of the following
2 purposes:

3 (1) to pay:

4 (A) all or part of the costs of highway
5 improvement projects;

6 (B) the costs of administering projects
7 authorized under this section;

8 (C) the cost or expense of the issuance of the
9 bonds; or

10 (D) all or part of a payment owed or to be owed
11 under a credit agreement;

12 (2) to provide money for deposit in the Texas
13 Transportation Revolving Fund or similar revolving fund
14 authorized by law, to be used for the purpose of making loans
15 for highway improvement projects as provided by law; or

16 (3) to provide money to be used to finance projects
17 authorized by Section 222.104.

18 (h) The proceeds from the issuance and sale of the bonds
19 may not be expended or used for the purposes authorized under
20 this section unless those proceeds have been appropriated by the
21 legislature. Each biennium for which those proceeds are
22 appropriated to the department, the department shall use money
23 equal to 10 percent of the amount computed by subtracting the
24 amount of the proceeds that are appropriated for that biennium
25 to capitalize the Texas Transportation Revolving Fund or a
26 similar revolving fund authorized by law from the total amount
27 of the proceeds appropriated for that biennium, to finance
28 projects authorized by Section 222.104.

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relating to the bonds. A credit agreement entered into under this section may be secured by and payable from the same sources as the bonds.

(d) The bonds shall be executed in the form, on the terms and in the denominations, bear interest, and be issued in installments as prescribed by the commission, and must mature no later than 20 years after their dates of issuance, subject to any refundings or renewals. The bonds may be issued in multiple series and issues from time to time and may have the provisions the commission determines appropriate and in the interest of the state.

(e) The commission has all powers necessary or appropriate to carry out this section and to implement Section 49-p, Article III, Texas Constitution, including the powers granted to other bond-issuing governmental agencies and units and to nonprofit corporations by Chapter 1201, 1207, and 1271, Government Code.

(f) The bonds and the record of proceedings authorizing the bonds and any related credit agreements shall be submitted to the attorney general for approval as to their legality. If the attorney general finds that they will be issued in accordance with this section and other applicable law, the attorney general shall approve them, and, after payment by the purchasers of the obligations in accordance with the terms of sale and after execution and delivery of the related credit agreements, the obligations and related credit agreements are incontestable for any cause.

(g) Bonds may be issued for one or more of the following purposes:

- (1) to pay all or part of the costs of highway improvement projects;
- (2) to pay:
 - (A) the costs of administering projects authorized under this section;
 - (B) the cost or expense of the issuance of the bonds; or
 - (C) all or part of a payment owed or to be owed under a credit agreement; and
- (3) to provide money for deposit in the Texas Transportation Revolving Fund or similar revolving fund authorized by law to be used for the purpose of making loans for highway improvement projects as provided by law.

(h) The proceeds from the issuance and sale of the bonds may not be expended or used for the purposes authorized under this section unless those proceeds have been appropriated by the legislature.

(i) The comptroller shall pay the principal of the bonds as they mature and the interest as it becomes payable and shall pay any cost related to the bonds that becomes due, including payments under credit agreements.

SECTION 38.02. This article does not make an appropriation. This article takes effect only if a specific appropriation for the implementation of the article is provided in a general appropriations act of the 81st Legislature.

SECTION 38.03. Except as provided by Section 38.02 of this article, this article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2009, except as provided by Section 38.02 of this article.

SECTION 13.01. Section 472.034, Transportation Code, is amended to read as follows:

Sec. 472.034. STANDARDS OF CONDUCT; ETHICS POLICY. (a) A policy board member or employee of a metropolitan planning organization may not:

- (1) accept or solicit any gift, favor, or service that might reasonably tend to influence the member or employee in the discharge of official duties or that the member or employee knows of

69-1 [REDACTED] d by
69-2 Chapter 552, Government Code, and public information provided by a
69-3 [REDACTED]
69-4 ARTICLE 3A. TEXAS TRANSPORTATION REVOLVING FUND
69-5 SECTION 3A.01. Chapter 222, Transportation Code, is amended
69-6 by adding Subchapter F to read as follows:
69-7 SUBCHAPTER F. TEXAS TRANSPORTATION REVOLVING FUND
69-8 Sec. 222.131. DEFINITIONS. In this subchapter:
69-9 (1) "Bonds" means bonds, notes, and other public
69-10 securities.
69-11 (2) "Credit agreement" has the meaning assigned by
69-12 Section 1371.001, Government Code.
69-13 (3) "Fund" means the Texas Transportation Revolving
69-14 Fund.
69-15 (4) "Fund revenue bonds" means bonds issued under
69-16 Section 222.135.
69-17 (5) "Highway improvement project" includes
69-18 acquisition of the highway, construction, reconstruction, and
69-19 major maintenance, including any necessary design, and the
69-20 acquisition of rights-of-way.
69-21 (6) "Transit provider" has the meaning assigned by
69-22 Section 370.003.
69-23 (7) "Transportation project" means a tolled or
69-24 nontolled highway improvement project.
69-25 Sec. 222.132. CREATION OF FUND. The Texas Transportation
69-26 Revolving Fund is created as a fund held in the Texas Treasury
69-27 Safekeeping Trust Company.
69-28 Sec. 222.133. ADMINISTRATION OF FUND. (a) The commission,
69-29 through the department, shall manage, invest, use, administer, and
69-30 provide financial assistance from the fund as provided by this
69-31 subchapter.
69-32 (b) The commission may create within the fund one or more
69-33 accounts or subaccounts as determined appropriate and necessary by
69-34 the commission.
69-35 (c) The commission shall prepare and file annually with the
69-36 governor, the lieutenant governor, and the Legislative Budget Board
69-37 a report providing information on the operation of the fund,
69-38 including:
69-39 (1) the amounts and sources of money deposited in the
69-40 fund during the year;
69-41 (2) investments and returns on investments of money in
69-42 the fund;
69-43 (3) loans made from the fund;
69-44 (4) other financial assistance provided from the fund;
69-45 (5) the status of any defaults on repayment of loans or
69-46 other financial assistance provided from the fund; and
69-47 (6) the details of any transportation project for
69-48 which financial assistance is received from the fund, including the
69-49 identity of any highway directly affected by the project, and the
69-50 degree to which the project is designed to reduce congestion,
69-51 improve traffic safety, and enhance connectivity.
69-52 Sec. 222.134. SOURCES OF MONEY DEPOSITED IN FUND. The
69-53 commission may deposit in the fund money derived from any source
69-54 available to the commission, including:
69-55 (1) if appropriated by the legislature for that
69-56 purpose:
69-57 (A) the proceeds of bonds issued under Section
69-58 222.003;
69-59 (B) the proceeds of bonds authorized by Section
69-60 49-p, Article III, Texas Constitution, if the law providing for the
69-61 issuance of the bonds does not prohibit the deposit of the proceeds
69-62 in the fund;
69-63 (C) money provided by the commission from the
69-64 state highway fund;
69-65 (D) money provided by the commission from the
69-66 Texas Mobility Fund that is in excess of the money required to be on
69-67 deposit in the Texas Mobility Fund by the proceedings authorizing
69-68 Texas Mobility Fund bonds and credit agreements; and
69-69 (E) other direct appropriations;

- 70-1 (2) repayments of principal and interest on loans made
70-2 under Section 222.137;
70-3 (3) the proceeds from the sale of loans under Section
70-4 222.140;
70-5 (4) the proceeds from the sale of fund revenue bonds;
70-6 and
70-7 (5) gifts and grants.
- 70-8 Sec. 222.135. FUND REVENUE BONDS. (a) The commission may
70-9 issue, sell, and deliver fund revenue bonds for the purpose of
70-10 providing money for the fund.
- 70-11 (b) Fund revenue bonds are special obligations of the
70-12 commission payable from the repayment of loans from the fund and
70-13 other money on deposit in the fund as the commission may designate.
- 70-14 (c) Fund revenue bonds do not constitute a debt of the state
70-15 or a pledge of the faith and credit of the state.
- 70-16 (d) The commission by order or resolution may issue fund
70-17 revenue bonds in the name and on behalf of the state and the
70-18 department and may enter into credit agreements related to the
70-19 bonds. The bonds may be issued in multiple series and issues from
70-20 time to time and may be issued on the terms and with the provisions
70-21 the commission determines appropriate and in the interests of the
70-22 state.
- 70-23 (e) The commission has all powers necessary or appropriate
70-24 to carry out this section, including the powers granted to other
70-25 bond-issuing governmental agencies and units and to nonprofit
70-26 corporations by Chapters 1201, 1207, and 1371, Government Code.
- 70-27 (f) Before the issuance of fund revenue bonds or credit
70-28 agreements, the commission shall submit the record of proceedings
70-29 of the commission authorizing the issuance, execution, and delivery
70-30 of the bonds or credit agreement and any contract providing revenue
70-31 or security to pay the bonds or credit agreement to the attorney
70-32 general for review. If the attorney general finds that the
70-33 proceedings authorizing a bond or credit agreement and any bonds
70-34 authorized in the proceedings conform to the requirements of the
70-35 Texas Constitution and this subchapter, the attorney general shall
70-36 approve the proceedings and the bonds and deliver to the
70-37 comptroller for registration a copy of the attorney general's legal
70-38 opinion stating that approval and the record of proceedings. After
70-39 approval, the bonds or credit agreement may be executed and
70-40 delivered, exchanged, or refinanced from time to time in accordance
70-41 with those authorizing proceedings.
- 70-42 (g) If the proceedings and any bonds authorized in the
70-43 proceedings are approved by the attorney general and registered by
70-44 the comptroller as provided above, the bonds or credit agreement,
70-45 as applicable, or a contract providing revenue or security included
70-46 in or executed and delivered according to the authorizing
70-47 proceedings are incontestable in a court or other forum and are
70-48 valid, binding, and enforceable according to their terms.
- 70-49 (h) The proceeds from the sale of fund revenue bonds may be
70-50 used to finance other funds or accounts relating to the bonds or
70-51 credit agreement, including a debt service reserve fund, and to pay
70-52 the costs of issuance. All remaining proceeds received from the
70-53 sale of the bonds shall be deposited in the fund and invested and
70-54 used as provided by this subchapter.
- 70-55 Sec. 222.136. INVESTMENT OF MONEY IN THE FUND. (a) Money
70-56 in the fund may be invested as provided by Chapter 2256, Government
70-57 Code, except that the proceeds of bonds deposited in the fund under
70-58 Section 222.134 shall be subject to any limitations contained in
70-59 the documents authorizing the issuance of the bonds.
- 70-60 (b) Income received from the investment of money in the fund
70-61 shall be deposited in the fund, subject to requirements that may be
70-62 imposed by the proceedings authorizing bonds issued to provide
70-63 money for deposit in the fund that are necessary to protect the
70-64 tax-exempt status of interest payable on the bonds in accordance
70-65 with applicable law of the United States concerning federal income
70-66 taxation of interest on the bonds. Investment income shall be
70-67 deposited in an account or subaccount in the fund as determined by
70-68 the department.
- 70-69 Sec. 222.137. USES OF MONEY IN THE FUND. (a) Except as

71-1 otherwise provided by this section, the commission may use money
 71-2 held in the fund to provide financial assistance to a public entity,
 71-3 including the department, for the costs of a transportation project
 71-4 by:

71-5 (1) making loans, including through the purchase of
 71-6 obligations of the public entity;

71-7 (2) providing liquidity or credit enhancement,
 71-8 including through the agreement to loan to or purchase bonds,
 71-9 notes, or other obligations from a public entity;

71-10 (3) serving as a reserve fund established in
 71-11 connection with debt financing by the public entity;

71-12 (4) providing capitalized interest for debt financing
 71-13 by the public entity; or

71-14 (5) providing a guarantee of the payment of the costs
 71-15 of operations and maintenance of a transportation project.

71-16 (b) The proceeds of bonds authorized by Section 49-p,
 71-17 Article III, Texas Constitution, or issued under Section 222.003
 71-18 may only be used to provide financial assistance for highway
 71-19 improvement projects, subject to any limitations provided by law.

71-20 (c) Money from the state highway fund may only be used for
 71-21 the purposes for which revenues are dedicated under Section 7-a,
 71-22 Article VIII, Texas Constitution.

71-23 (d) Money from the Texas Mobility Fund may only be used to
 71-24 provide financial assistance for state highway improvement
 71-25 projects, publicly owned toll roads, and public transportation
 71-26 projects, whether on or off of the state highway system, subject to
 71-27 any limitations provided by law.

71-28 (e) Money in the fund may be used to pay debt service on fund
 71-29 revenue bonds.

71-30 (f) The commission may require the payment of reasonable
 71-31 fees and other amounts by a public entity for all forms of financial
 71-32 assistance provided under this section.

71-33 (g) The department shall monitor the use of financial
 71-34 assistance provided to a public entity to ensure the financial
 71-35 assistance is used for purposes authorized by law and may audit the
 71-36 books and records of a public entity for this purpose.

71-37 Sec. 222.138. BORROWING FROM THE FUND BY PUBLIC ENTITY.

71-38 (a) A public entity, including a municipality, county, district,
 71-39 authority, agency, department, board, or commission, that is
 71-40 authorized by law to construct, maintain, or finance a
 71-41 transportation project may borrow money from the fund, including by
 71-42 direct loan or other financial assistance from the fund, and may
 71-43 enter into any agreement relating to receiving financial assistance
 71-44 from the fund.

71-45 (b) Money received by a public entity under this subchapter
 71-46 must be segregated from other funds under the control of the public
 71-47 entity and may only be used for purposes authorized by this
 71-48 subchapter.

71-49 (c) To provide for the repayment of a loan or other
 71-50 financial assistance, a public entity may:

71-51 (1) pledge revenues or income from any available
 71-52 source;

71-53 (2) pledge, levy, and collect any taxes, subject to
 71-54 any constitutional limitation; or

71-55 (3) pledge any combination of revenues, income, and
 71-56 taxes.

71-57 (d) This section is wholly sufficient authority for a public
 71-58 entity to borrow or otherwise obtain financial assistance from the
 71-59 fund as authorized by this subchapter and to pledge revenues,
 71-60 income, or taxes, or any combination of revenues, income, and
 71-61 taxes, to the repayment of a loan or other financial assistance.

71-62 Sec. 222.139. REPAYMENT TERMS; DEPOSIT OF REPAYMENTS.

71-63 (a) For financial assistance that must be repaid, the commission
 71-64 shall determine the terms and conditions of the repayment,
 71-65 including the interest rates to be charged.

71-66 (b) The commission may require the entity receiving
 71-67 financial assistance that must be repaid to make charges, levy and
 71-68 collect taxes, pledge revenues, or otherwise take such action as
 71-69 may be necessary to provide for money in an amount sufficient for

72-1 repayment according to the terms agreed on at the time the financial
 72-2 assistance is provided.

72-3 (c) For a tolled highway improvement project, the
 72-4 commission, in lieu of requiring the repayment of financial
 72-5 assistance and any interest thereon, may require that revenues from
 72-6 the project be shared between the entity and the department, and the
 72-7 entity and the department may enter into an agreement specifying
 72-8 the terms and conditions of the revenue sharing.

72-9 (d) The department shall deposit in the fund all amounts
 72-10 received from repayment of the financial assistance or as a share of
 72-11 revenues from a tolled highway improvement project.

72-12 Sec. 222.140. SALE OF LOANS. (a) As used in this section,
 72-13 "loan" includes any financial assistance that must be repaid or any
 72-14 portion of such assistance.

72-15 (b) The commission may sell any loans made from money in the
 72-16 fund and shall deposit the proceeds of the sale in the fund.

72-17 (c) For any loans to be sold under this section, the
 72-18 commission may submit to the attorney general for review and
 72-19 approval the related financial assistance agreement, which shall,
 72-20 for the purposes of Chapter 1202, Government Code, be considered to
 72-21 be a public security, along with the record of proceedings of the
 72-22 borrowing entity relating to the agreement. If the attorney
 72-23 general approves the agreement, it shall be incontestable in a
 72-24 court or other forum and is valid, binding, and enforceable
 72-25 according to its terms as provided by Chapter 1202, Government
 72-26 Code.

72-27 (d) The commission must sell the loans using a competitive
 72-28 bidding process and at the price and under the terms and conditions
 72-29 that it determines to be reasonable.

72-30 (e) As part of the sales agreement with the purchaser of a
 72-31 loan, the commission may agree to perform the functions required to
 72-32 enforce the conditions and requirements stated in the loans,
 72-33 including the payment of debt service by the borrowing entity.

72-34 (f) The commission may exercise any powers necessary to
 72-35 carry out the authority granted by this section, including the
 72-36 authority to contract with any person to accomplish the purposes of
 72-37 this section.

72-38 (g) The commission shall not be liable for the repayment of,
 72-39 and may not repay, any loan sold under this section.

72-40 Sec. 222.141. WAIVER OF SOVEREIGN IMMUNITY. A public
 72-41 entity receiving financial assistance under this subchapter and the
 72-42 department may agree to waive sovereign immunity to suit for the
 72-43 purpose of adjudicating a claim to enforce any of their obligations
 72-44 brought by a party for breach of the terms of the financial
 72-45 assistance agreement.

72-46 Sec. 222.142. IMPLEMENTATION BY RULE. (a) The commission
 72-47 shall adopt rules to implement this subchapter, including rules:

72-48 (1) establishing eligibility and prioritization
 72-49 criteria for entities applying for financial assistance from the
 72-50 fund and for transportation projects that may receive financial
 72-51 assistance from the fund;

72-52 (2) specifying the method for setting the terms and
 72-53 conditions for providing financial assistance from the fund and for
 72-54 the repayment of financial assistance from the fund; and

72-55 (3) establishing procedures for the sale of loans
 72-56 originated from amounts on deposit in the fund.

72-57 (b) The eligibility and prioritization criteria described
 72-58 in Subsection (a)(1) shall provide that financial assistance made
 72-59 available for the delivery of a transportation project by the
 72-60 department may not be in a larger amount or on more favorable terms
 72-61 than the financial assistance requested and previously offered for
 72-62 the delivery of that transportation project by a public entity, if
 72-63 any.

72-64 (c) The commission shall appoint a rules advisory committee
 72-65 to advise the department and the commission on the development of
 72-66 the commission's initial rules required by this section. The
 72-67 committee must include one or more members representing a local
 72-68 toll project entity, as defined in Section 228.0111. Chapter 2110,
 72-69 Government Code, does not apply to the committee. This subsection

73-1 expires on the date the commission adopts initial rules under this
73-2 section.

73-3 SECTION 39.02. This article takes effect immediately if
73-4 this Act receives a vote of two-thirds of all the members elected to
73-5 each house, as provided by Section 39, Article III, Texas
73-6 Constitution. If this Act does not receive the vote necessary for
73-7 immediate effect, this article takes effect September 1, 2009.

73-8 TOLL FACILITIES

73-9 SECTION 17.01. Section 222.001, Transportation Code,
73-10 amended to read as follows:

73-11 Sec. 222.001. USE OF STATE HIGHWAY FUND. (a) Money that is
73-12 required to be used for public roadways by the Texas Constitution or
73-13 federal law and that is deposited in the state treasury to the
73-14 credit of the state highway fund, including money deposited to the
73-15 credit of the state highway fund under Title 23, United States Code,
73-16 may be used only:

73-17 (1) to improve the state highway system;
73-18 (2) to mitigate adverse environmental effects that
73-19 result directly from construction or maintenance of a state highway
73-20 by the department; or

73-21 (3) by the Department of Public Safety to police the
73-22 state highway system and to administer state laws relating to
73-23 traffic and safety on public roads.

73-24 (b) Notwithstanding Section 222.103, the department may not
73-25 pledge or otherwise encumber money deposited in the state highway
73-26 fund to:

73-27 (1) guarantee a loan obtained by a public or private
73-28 entity for costs associated with a toll facility of the public or
73-29 private entity; or

73-30 (2) insure bonds issued by a public or private entity
73-31 for costs associated with a toll facility of the public or private
73-32 entity.

73-33 SECTION 17.02. Section 222.001(b), Transportation Code, as
73-34 added by this article, applies only to an agreement to pledge or
73-35 otherwise encumber money in the state highway fund that is entered
73-36 into on or after the effective date of this Act, except that this
73-37 section does not apply to an agreement to pledge or otherwise
73-38 encumber money in the state highway fund that is associated with the
73-39 following projects, regardless of whether the agreement is
73-40 finalized on or after the effective date of this Act:

73-41 (1) the State Highway 11 project in Dallas County;

73-42 (2) the Southwest Parkway (State Highway 121) in
73-43 Tarrant County from Interstate Highway 30 to Dirks Road/Altamesa
73-44 Boulevard and the Chisholm Trail project from Dirks Road/Altamesa
73-45 Boulevard to U.S. Highway 75 in the city of Cleburne;

73-46 (3) a project associated with the highway designated
73-47 as the Trinity Parkway in the city of Dallas;

73-48 (4) the Grand Parkway project (State Highway 99);

73-49 (5) the Hidalgo Loop project in Hidalgo County from
73-50 U.S. Highway 83 near the Pharr-Reynosa International Bridge to the
73-51 U.S. Highway 83 Expressway in Penitas to U.S. Highway 281 north of
73-52 Edinburg to U.S. Highway 83 west of Farm-to-Market Road 1423 to U.S.
73-53 Highway 83 near the Pharr-Reynosa International Bridge;

73-54 (6) the U.S. Highway 290 project from east of U.S.
73-55 Highway 183 to east of Farm-to-Market Road 734 in Travis County;

73-56 (7) the State Highway 71 East project from Riversid
73-57 Drive east to east of State Highway 130 and including the
73-58 interchange of State Highway 71 East/U.S. Highway 183 South in
73-59 Travis County;

73-60 (8) the U.S. Highway 183 South project from Springdal
73-61 Road south to State Highway 71 East in Travis County;

73-62 (9) the Loop 1 added capacity project, comprised of
73-63 the addition of a managed lane on Loop 1 from Parmer Lane to State
73-64 Highway 15 South in Travis County;

73-65 (10) any transaction related to the acquisition by a
73-66 regional mobility authority, a regional tollway authority, or a
73-67 county acting under Chapter 284 of a toll project of the department
73-68 or a portion of which was existing and in operation prior to

~~For the purpose of this act, the transportation authority~~

ARTICLE 40. SALES AND LEASES OF MOTOR VEHICLES

SECTION 40.01. Section 2301.476, Occupations Code, is amended by adding Subsection (h-1) to read as follows:

(h-1) A person who on January 18, 2002, held both a converter's license to convert buses with a gross vehicle weight rating of 40,000 pounds or more and a franchised dealer's license to sell buses issued under this chapter may:

- (1) regain and continue to hold both licenses; and
- (2) operate as both a converter and franchised dealer of bus conversions with a gross vehicle weight rating of 40,000 pounds or more but of no other type of vehicle.

~~ARTICLE 22. HIGHWAY AND BRIDGE DESIGN~~

~~SECTION 22.01. Subchapter B, Chapter 225, Transportation Code, is amended by adding Section 225.081 to read as follows:~~

~~Sec. 225.081. BUDDY WEST MEMORIAL OVERPASS. (a) The structure on Loop 338 that passes over Interstate Highway 10 in Ector County is designated as the Buddy West Memorial Overpass.~~

~~(b) The department shall:~~

- ~~(1) design and construct markers indicating the highway number, the designation as the Buddy West Memorial Overpass, and any other appropriate information; and~~
- ~~(2) erect a marker at each end of the structure and at appropriate intermediate sites along the structure.~~

~~(c) Section 225.021(c) does not apply to this section.~~

ARTICLE 23. AVIATION FACILITIES DEVELOPMENT AND FINANCIAL ASSISTANCE

SECTION 23.01. Section 21.101, Transportation Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) The department may loan or grant money to a state agency with a governing board authorized to operate an airport, ~~or~~ to a governmental entity in this state, or to an owner of an eligible airport to establish, construct, reconstruct, enlarge, or repair an airport, airstrip, or air navigational facility if:

- (1) the money has been appropriated to the department for that purpose; and
- (2) providing the money will:
 - (A) best serve the public interest; and
 - (B) best discharge the governmental aeronautics function of the state or its political subdivisions.

(c) In this section, "eligible airport" means an airport eligible to receive grant funds under the airport improvement program established by 49 U.S.C. Section 47101 et seq.

SECTION 23.02. Section 21.105, Transportation Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) Before approving a loan or grant to a governmental entity, the commission shall require that:

- (1) the airport or facility remain in the control of each political subdivision involved for at least 20 years;
- (2) the political subdivision disclose the source of all funds for the project and the political subdivision's ability to finance and operate the project;
- (3) at least 10 percent of the total project cost be provided by sources other than the state; and
- (4) the project be adequately planned.

(c) Before approving a loan or grant to an owner of an eligible airport as defined by Section 21.101, the commission shall require that:

- (1) the airport or facility remain an eligible airport for at least 20 years;
- (2) the owner demonstrate the ability to finance and operate the project; and
- (3) the project be adequately planned.

SECTION 23.03. Section 21.112, Transportation Code, is amended to read as follows:

Sec. 21.112: ~~EXPENDITURE OF AIR FACILITY CONSTRUCTION MONEY~~

117-1 Government Code.

117-2 SECTION 35.02. Subsection (b), Section 545.421,
117-3 Transportation Code, is amended to read as follows:

117-4 (b) A signal under this section that is given by a police
117-5 officer pursuing a vehicle may be by hand, voice, emergency light,
117-6 or siren. The officer giving the signal must be in uniform and
117-7 prominently display the officer's badge of office. The officer's
117-8 vehicle must bear the insignia of a law enforcement agency,
117-9 regardless of whether the vehicle displays an emergency light ~~(be~~
117-10 ~~appropriately marked as an official police vehicle).~~

117-11 ARTICLE 36. ABANDONED AND JUNKED VEHICLES

117-12 SECTION 36.01. Section 683.071, Transportation Code, is
117-13 amended to read as follows:

117-14 Sec. 683.071. DEFINITION. In this subchapter, "junked
117-15 vehicle" means a vehicle that is self-propelled and:

117-16 (1) ~~displays an expired license plate or invalid motor~~
117-17 ~~vehicle inspection certificate or does not display a license plate~~
117-18 ~~or motor vehicle inspection certificate; and [have lawfully~~
117-19 ~~attached to it;~~

117-20 ~~[(A) an unexpired license plate; and~~
117-21 ~~[(B) a valid motor vehicle inspection~~
117-22 ~~certificate; and]~~

117-23 (2) is:
117-24 (A) wrecked, dismantled or partially dismantled,
117-25 or discarded; or
117-26 (B) inoperable and has remained inoperable for
117-27 more than:
117-28 (i) 72 consecutive hours, if the vehicle is
117-29 on public property; or
117-30 (ii) 30 consecutive days, if the vehicle is

117-31
117-32 ARTICLE 41. AUTHORITY OF CERTAIN TRANSPORTATION AND TRANSIT
117-33 AUTHORITIES TO ENFORCE COMPLIANCE WITH HIGH OCCUPANCY VEHICLE LANE
117-34 RESTRICTIONS

117-35 SECTION 41.01. Subchapter B, Chapter 451, Transportation
117-36 Code, is amended by adding Section 451.0615 to read as follows:

117-37 Sec. 451.0615. ENFORCEMENT OF HIGH OCCUPANCY VEHICLE LANES.

117-38 (a) In this section:
117-39 (1) "Automated enforcement system" means a system
117-40 that:

117-41 (A) consists of a camera or other electrical or
117-42 mechanical device that produces photographic, electronic, video,
117-43 or digital images of a motor vehicle; and
117-44 (B) is used to enforce compliance with
117-45 instructions for high occupancy vehicle lane restrictions.

117-46 (2) "High occupancy vehicle lane" has the meaning
117-47 assigned by Section 224.151.

117-48 (3) "Official traffic-control device" has the meaning
117-49 assigned by Section 541.304 and includes a traffic pylon and double
117-50 white lines on a highway.

117-51 (4) "Owner of a motor vehicle" means the owner of a
117-52 motor vehicle as shown on the motor vehicle registration records of
117-53 the department or the analogous department or agency of another
117-54 state or country.

117-55 (b) A board by resolution may implement an automated
117-56 enforcement system and provide that the owner of a motor vehicle,
117-57 other than an authorized emergency vehicle as defined by Section
117-58 541.201, is liable to the authority for a penalty if the vehicle is
117-59 operated in violation of the instructions of an official
117-60 traffic-control device regarding entering or exiting a high
117-61 occupancy vehicle lane.

117-62 (b-1) A resolution adopted under Subsection (b) may not
117-63 provide for the imposition of a penalty for a vehicle that is
117-64 operated in violation of the minimum number of persons requirement
117-65 for use of a high occupancy vehicle lane or for the purpose of
117-66 enforcing compliance with posted speed limits.

117-67 (c) The resolution adopted under this section must:

117-68 (1) provide for a penalty of not more than \$100;
117-69 (2) authorize an attorney employed by the authority or

118-1 an attorney with whom the authority contracts to bring suit to
118-2 collect the penalty;
118-3 (3) provide for notice of the violation to the owner of
118-4 the motor vehicle that committed the violation;
118-5 (4) require that a peace officer commissioned by the
118-6 authority:
118-7 (A) review images produced by the automated
118-8 enforcement system to determine whether the vehicle was operated in
118-9 violation of the instructions of an official traffic-control device
118-10 regarding entering or exiting a high occupancy vehicle lane; and
118-11 (B) notarize the notice of violation before the
118-12 notice is mailed to the owner of the motor vehicle that committed
118-13 the violation;
118-14 (5) provide that a notice of violation is presumed to
118-15 have been received on the fifth day after the date the notice is
118-16 mailed if the notice was mailed to the owner of a motor vehicle;
118-17 (6) provide procedures by which the owner of the motor
118-18 vehicle may request an administrative adjudication hearing to
118-19 contest the imposition or the amount of the penalty;
118-20 (7) allow for the use of images produced by the
118-21 automated enforcement system authorized by this section; and
118-22 (8) provide for other procedures the board determines
118-23 are necessary for the imposition of a penalty authorized by this
118-24 section.
118-25 (d) Except as provided by Subsection (e), an image produced
118-26 by an automated enforcement system may not be used to prosecute a
118-27 criminal offense.
118-28 (e) An image produced by an automated enforcement system may
118-29 be used to prosecute a criminal offense defined by Chapter 19, 20,
118-30 20A, 31, 38, or 49, Penal Code.
118-31 (f) This section does not apply to an authority in which the
118-32 principal municipality has a population of more than 1.9 million.
118-33 SECTION 41.02. Subchapter B, Chapter 452, Transportation
118-34 Code, is amended by adding Section 452.0615 to read as follows:
118-35 Sec. 452.0615. ENFORCEMENT OF HIGH OCCUPANCY VEHICLE LANES.
118-36 (a) In this section:
118-37 (1) "Automated enforcement system" means a system
118-38 that:
118-39 (A) consists of a camera or other electrical or
118-40 mechanical device that produces photographic, electronic, video,
118-41 or digital images of a motor vehicle; and
118-42 (B) is used to enforce compliance with
118-43 instructions for high occupancy vehicle lane restrictions.
118-44 (2) "High occupancy vehicle lane" has the meaning
118-45 assigned by Section 224.151.
118-46 (3) "Official traffic-control device" has the meaning
118-47 assigned by Section 541.304 and includes a traffic pylon and double
118-48 white lines on a highway.
118-49 (4) "Owner of a motor vehicle" means the owner of a
118-50 motor vehicle as shown on the motor vehicle registration records of
118-51 the department or the analogous department or agency of another
118-52 state or country.
118-53 (b) This section applies only to an authority that:
118-54 (1) consists of one subregion governed by a
118-55 subregional board created under Subchapter O; and
118-56 (2) has entered into an agreement with a governmental
118-57 entity to:
118-58 (A) operate a high occupancy vehicle lane; or
118-59 (B) provide peace officers to enforce compliance
118-60 with instructions for high occupancy vehicle lane restrictions.
118-61 (c) A board by resolution may implement an automated
118-62 enforcement system and provide that the owner of a motor vehicle,
118-63 other than an authorized emergency vehicle as defined by Section
118-64 541.201, is liable to the authority for a penalty if the vehicle is
118-65 operated in violation of the instructions of an official
118-66 traffic-control device regarding entering or exiting a high
118-67 occupancy vehicle lane.
118-68 (c-1) A resolution adopted under Subsection (c) may not
118-69 provide for the imposition of a penalty for a vehicle that is

119-1 operated in violation of the minimum number of persons requirement
 119-2 for use of a high occupancy vehicle lane or for the purpose of
 119-3 enforcing compliance with posted speed limits.

119-4 (d) The resolution adopted under this section must:

119-5 (1) provide for a penalty of not more than \$100;

119-6 (2) authorize an attorney employed by the authority or
 119-7 an attorney with whom the authority contracts to bring suit to
 119-8 collect the penalty;

119-9 (3) provide for notice of the violation to the owner of
 119-10 the motor vehicle that committed the violation;

119-11 (4) require that a peace officer commissioned by the
 119-12 authority:

119-13 (A) review images produced by the automated
 119-14 enforcement system to determine whether the vehicle was operated in
 119-15 violation of the instructions of an official traffic-control device
 119-16 regarding entering or exiting a high occupancy vehicle lane; and

119-17 (B) notarize the notice of violation before the
 119-18 notice is mailed to the owner of the motor vehicle that committed
 119-19 the violation;

119-20 (5) provide that a notice of violation is presumed to
 119-21 have been received on the fifth day after the date the notice is
 119-22 mailed if the notice was mailed to the owner of a motor vehicle;

119-23 (6) provide procedures by which the owner of the motor
 119-24 vehicle may request an administrative adjudication hearing to
 119-25 contest the imposition or the amount of the penalty;

119-26 (7) allow for the use of images produced by the
 119-27 automated enforcement system authorized by this section; and

119-28 (8) provide for other procedures the board determines
 119-29 are necessary for the imposition of a penalty authorized by this
 119-30 section.

119-31 (e) Except as provided by Subsection (f), an image produced
 119-32 by an automated enforcement system may not be used to prosecute a
 119-33 criminal offense.

119-34 (f) An image produced by an automated enforcement system may
 119-35 be used to prosecute a criminal offense defined by Chapter 19, 20,
 119-36 20A, 31, 38, or 49, Penal Code.

119-37 ARTICLE 42. REGIONAL TOLLWAY AUTHORITIES

119-38 SECTION 42.01. (a) Section 366.038, Transportation Code,
 119-39 is amended to read as follows:

119-40 Sec. 366.038. TOLLING SERVICES [TOLL COLLECTION]. (a) In
 119-41 this section, "tolling services" means the tolling services
 119-42 normally provided through an authority's customer service center,
 119-43 including customer service, customer account maintenance,
 119-44 transponder supply, and toll collection and enforcement.

119-45 (b) An authority shall provide, for reasonable
 119-46 compensation, tolling [~~customer service and other toll collection~~
 119-47 ~~and enforcement~~] services for a toll project in the boundaries of
 119-48 the authority, regardless of whether the toll project is developed,
 119-49 financed, constructed, and operated under an agreement, including a
 119-50 comprehensive development agreement, with the authority or another
 119-51 entity. This section does not restrict an authority from agreeing
 119-52 to provide additional tolling services in an agreement described in
 119-53 Subsection (d). Additional tolling services provided under an
 119-54 agreement under that subsection are subject to the provisions that
 119-55 apply to tolling services under this section.

119-56 (c) An authority may not provide financial security,
 119-57 including a cash collateral account, for the performance of tolling
 119-58 services the authority provides under this section if:

119-59 (1) the authority determines that providing security
 119-60 could restrict the amount, or increase the cost, of bonds or other
 119-61 debt obligations the authority may subsequently issue under this
 119-62 chapter; or

119-63 (2) the authority is not reimbursed its cost of
 119-64 providing the security.

119-65 (d) Before providing tolling services for a toll project
 119-66 under this section, an authority must enter into a written
 119-67 agreement that sets out the terms and conditions for the tolling
 119-68 services to be provided and the terms of compensation for those
 119-69 services.

120-1 (e) Toll revenues are the property of the entity that is
120-2 entitled to the revenues under a tolling services agreement for the
120-3 toll project, regardless of who holds or collects the revenues.
120-4 Toll revenues that are held or collected by an authority under a
120-5 tolling services agreement and are not the property of the
120-6 authority are not subject to a claim adverse to the authority or a
120-7 lien on or encumbrance against property of the authority. Toll
120-8 revenues that are the property of the authority are not subject to a
120-9 claim adverse to any other entity or a lien on or encumbrance
120-10 against property of any other entity.

120-11 (f) An authority may agree in a tolling services agreement
120-12 that its right and obligation to provide tolling services for the
120-13 applicable toll project under this section are subject to
120-14 termination for default, and that after a termination for default
120-15 this section does not apply to that toll project.

120-16 (g) Any public or private entity, including an authority or
120-17 the department, may agree to fund a cash collateral account for the
120-18 purpose of providing money that may be withdrawn as provided in the
120-19 tolling services agreement because of an authority's failure to
120-20 make any payment as required by the tolling services agreement. An
120-21 authority's written commitment to fully or partially fund a cash
120-22 collateral account is conclusive evidence of the authority's
120-23 determination that the commitment does not violate Subsection (c).
120-24 The department may use money from any available source to fund a
120-25 cash collateral account under this subsection.

120-26 (b) Subsection (c), Section 366.038, Transportation Code,
120-27 as added by this section, does not apply to any project, or portion
120-28 of any project, subject to the tolling services agreement between
120-29 the North Texas Tollway Authority and the Texas Department of
120-30 Transportation or a private participant in a comprehensive
120-31 development agreement for the North Tarrant Express project in
120-32 Tarrant County or the tolling services agreement for the IH-635
120-33 managed lanes project in Dallas County if the agreement is entered
120-34 into before September 1, 2009.

120-35 SECTION 42.02. Section 366.185, Transportation Code, is
120-36 amended by adding Subsection (d-2) to read as follows:

120-37 (d-2) Notwithstanding Subsection (d-1), if the contract
120-38 amount exceeds \$50 million, the rules adopted under Subsection (d)
120-39 may provide for a stipend to be offered to an unsuccessful
120-40 design-build firm that submits a response to the authority's
120-41 request for additional information, in an amount that:

- 120-42 (1) may exceed \$250,000; and
- 120-43 (2) is reasonably necessary, as determined by the
120-44 authority in its sole discretion, to compensate an unsuccessful
120-45 firm for:

120-46 (A) preliminary engineering costs associated
120-47 with the development of the proposal by the firm; and

120-48 (B) the value of the work product contained in
120-49 the proposal, including the techniques, methods, processes, and
120-50 information contained in the proposal.

120-51 SECTION 42.03. Section 366.303, Transportation Code, is
120-52 amended by amending Subsection (d) and adding Subsections (f) and
120-53 (g) to read as follows:

120-54 (d) The term of an agreement under Subsections (a)-(c) [~~this~~
120-55 ~~section~~] may not exceed 40 years.

120-56 (f) To accelerate a toll project's design, financing,
120-57 construction, and operation by the entity ultimately responsible
120-58 for the toll project's design, financing, construction, and
120-59 operation, a county that is part of an authority, including a county
120-60 acting under Chapter 284, may acquire right-of-way necessary to
120-61 locate and preserve the proposed alignment for a potential toll
120-62 project, and may obtain the environmental approvals, any necessary
120-63 traffic and revenue studies, and any engineering data necessary to
120-64 advance the feasibility of a potential toll project. For purposes
120-65 of this subsection and Subsection (g), "toll project" includes:

- 120-66 (1) a project, as defined by Section 284.001;
- 120-67 (2) a turnpike project, as defined for this chapter;
- 120-68 or
- 120-69 (3) any similar project consisting of one or more

121-1 tolled lanes of a bridge, tunnel, or highway or an entire toll
121-2 bridge, tunnel, or highway, and any improvement, extension, or
121-3 expansion to the bridge, tunnel, or highway.

121-4 (g) A county that acquires right-of-way or obtains
121-5 approvals, studies, or data under Subsection (f) may petition the
121-6 applicable authority to negotiate a written agreement by which the
121-7 county's and the authority's activities can be better coordinated
121-8 and more efficiently accomplished. The agreement may include
121-9 provisions by which the authority may agree to later reimburse the
121-10 county for certain costs the county incurs for right-of-way and
121-11 other deliverables transferred to and used by the authority if the
121-12 authority ultimately develops the toll project. The department or
121-13 the applicable metropolitan planning organization, or both, may be
121-14 a party or parties to an agreement under this subsection if the
121-15 county and the authority determine that the inclusion of one or both
121-16 of those entities furthers the objectives of this subsection.

121-17
121-18 SECTION 39.01. Section 542.2035, Transportation Code, is
121-19 amended to read as follows:

121-20 Sec. 542.2035. LIMITATION ON MUNICIPALITIES AND COUNTIES.

121-21 (a) A municipality or county may not implement or operate an
121-22 automated traffic control system with respect to a highway or
121-23 street under its jurisdiction for the purpose of enforcing
121-24 compliance with posted speed limits. The attorney general shall
121-25 enforce this subsection.

121-26 (b) In this section, "automated traffic control system"
121-27 means a photographic device, radar device, laser device, or other
121-28 electrical or mechanical device designed to:

- 121-29 (1) record the speed of a motor vehicle; and
- 121-30 (2) obtain one or more photographs of other recorded
121-31 images of:

- 121-32 (A) the vehicle;
- 121-33 (B) the license plate attached to the vehicle; or
- 121-34 (C) the operator of the vehicle.

121-35 SECTION 39.02. Subchapter B, Chapter 542, Transportation
121-36 Code, is amended by adding Section 542.207 to read as follows:

121-37 Sec. 542.207. LIMITATION ON DEPARTMENT. (a) In this
121-38 section, "automated traffic control system" has the meaning
121-39 assigned by Section 542.2035.

121-40 (b) The department may not implement or operate an automated
121-41 traffic control system for the purpose of enforcing compliance with
121-42 posted speed limits. The attorney general shall enforce this
121-43 section.

121-44 ARTICLE 40. CERTIFICATES OF TITLE; VEHICLE REGISTRATION
121-45 SECTION 40.001. Section 501.001, Transportation Code, is
121-46 amended to read as follows:

121-47 Sec. 501.002. DEFINITIONS. In this chapter:

121-48 (1) "Certificate of title" means a printed record of
121-49 title [an instrument] issued under Section 501.021.

121-50 (1-a) "Commercial fleet" means a group of at least 25
121-51 nonapportioned commercial motor vehicles owned by a corporation,
121-52 limited or general partnership, limited liability company, or other
121-53 business entity and used for the business purposes of that entity.

121-54 (2) "Credit card" means a card, plate, or similar
121-55 device used to make a purchase or to borrow money.

121-56 (3) "Dealer" has the meaning assigned by Section
121-57 503.001 [means a person who purchases motor vehicles for sale at
121-58 retail].

121-59 (4) "Debit card" means a card that enables the holder
121-60 to withdraw money or to have the cost of a purchase charged directly
121-61 to the holder's bank account.

121-62 (5) [(3)] "Department" means the Texas Department of
121-63 Transportation.

121-64 (6) [(4)] "Distributor" has the meaning assigned by
121-65 Chapter 2301, Occupations Code [means a person engaged in the
121-66 business of selling to a dealer motor vehicles purchased from a
121-67 manufacturer].

121-68 (7) [(5)] "First sale" means:
121-69 (A) the bargain, sale, transfer, or delivery of a

1 (10) Immediately after SECTION 4.10 of the bill (page 33,
2 between lines 2 and 3) insert the following:

3 SECTION 4.11. The change in law made by this article to
4 Section 223.201, Transportation Code, does not apply to a
5 comprehensive development agreement entered into by the Texas
6 Department of Transportation under Section 227.023, Transportation
7 Code, before the effective date of this Act. A comprehensive
8 development agreement entered into under Section 227.023,
9 Transportation Code, before the effective date of this Act is
10 governed by the law in effect on the date the agreement was entered
11 into, and the former law is continued in effect for that purpose.

12 (11) In SECTION 7.01 of the bill, added Section 113.002(a),
13 Transportation Code (page 45, line 42), strike "or the department".

14 (12) Between ARTICLES 14 and 16 of the bill (page 6
15 between lines 3 and 4) insert the following:

16 ARTICLE 43. TEXAS MOBILITY FUND

17 SECTION 43.01. Sections 201.943(b), (e), and (f),
18 Transportation Code, are amended to read as follows:

19 (b) Obligations must be secured by and payable from a pledge
20 of and lien on all or part of the money in the fund, including
21 revenues of this state that are dedicated or appropriated for
22 deposit to fund. Obligations may be additionally secured by and
23 payable from credit agreements. The commission may pay amounts due
24 on the obligations from discretionary money available to it that is
25 not dedicated to or appropriated for other specific purposes.

26 (e) Long-term obligations in the amount proposed to be
27 issued by the commission may not be issued unless the comptroller
28 projects in a comptroller's certification that the amount of money
29 dedicated to the fund pursuant to Section 49-k(e), Article III,
30 Texas Constitution, and required to be on deposit in the fund
31 pursuant to Section 49-k(f), Article III, Texas Constitution,

1 together with any other money or revenue that the commission
2 pledges or otherwise commits for those purposes, including receipts
3 from credit agreements and money received or to be received from the
4 federal government, and the investment earnings on [~~that~~] money in
5 the fund, during each year of the period during which the proposed
6 obligations are scheduled to be outstanding will be equal to at
7 least 110 percent of the requirements to pay the principal of and
8 interest on the proposed long-term obligations during that year.

9 (f) Short-term obligations in the amount proposed by the
10 commission may not be issued unless the comptroller, in a
11 comptroller's certification:

12 (1) assumes that the short-term obligations will be
13 refunded and refinanced to mature over a 20-year period with level
14 principal requirements and bearing interest at then current market
15 rates, as determined by the comptroller; and

16 (2) projects that the amount of money dedicated to the
17 fund pursuant to Section 49-k(e), Article III, Texas Constitution,
18 and required to be on deposit in the fund pursuant to Section
19 49-k(f), Article III, Texas Constitution, together with any other
20 money or revenue that the commission pledges or otherwise commits
21 for those purposes, including receipts from credit agreements and
22 money received or to be received from the federal government, and
23 the investment earnings on [~~that~~] money in the fund, during each
24 year of the assumed 20-year period will be equal to at least 110
25 percent of the requirements to pay the principal of and interest on
26 the proposed refunding obligations during that year.

27 SECTION 43.02. This article takes effect immediately if
28 this Act receives a vote of two-thirds of all the members elected to
29 each house, as provided by Section 39, Article III, Texas
30 Constitution. If this Act does not receive the vote necessary for
31 immediate effect, this article takes effect September 1, 2009.

1 ARTICLE 44. BORDER REGION HIGHER-SPEED RAIL AUTHORITY STUDY

2 SECTION 44.01. DEFINITIONS. In this article:

3 (1) "Border region" means the Texas-Louisiana border
4 region or the Texas-Mexico border region, as defined by Section
5 2056.002, Government Code.

6 (2) "Department" means the Texas Department of
7 Transportation.

8 (3) "Higher-speed rail" means the rail technology that
9 permits the operation of rolling stock between scheduled stops
10 at speeds greater than 70 miles per hour but less than 100 miles
11 per hour.

12 SECTION 44.02. The department shall conduct a study to
13 determine the necessity and feasibility of creating a higher-
14 speed rail authority for the Texas-Louisiana border region, the
15 Texas-Mexico border region, or both. The study must consider and
16 make recommendations related to:

17 (1) the governance composition of a border area
18 higher-speed rail authority;

19 (2) the nature and powers of a higher-speed rail
20 authority, including, but not limited to:

21 (A) acquisition of property, including rolling
22 stock;

23 (B) the use of eminent domain;

24 (C) the necessity and ability to enter into
25 agreements with other entities for joint use and joint ownership
26 agreements;

27 (D) the necessity and ability to enter into rail

1 transportation service agreements with political subdivisions of
2 this state;

3 (3) financial provisions, including:

4 (A) the necessity and ability to enter into
5 agreements related to foreign and domestic currencies; and

6 (B) the ability to impose and collect a sales and
7 use tax; and

8 (4) the benefits of using existing rail easements and
9 right of ways.

10 SECTION 44.03 Not later than December 1, 2010, the
11 department shall submit a report on the necessity and
12 feasibility of border region higher speed rail authorities to
13 the governor, lieutenant governor, and the speaker of the house
14 of representatives.

1 ARTICLE 45. PROHIBITION ON CERTAIN TRANSPORTATION FINANCING

2
3 SECTION 45.01. Subchapter G, Chapter 452, Transportation
4 Code, is amended by adding Section 452.306 to read as follows:

5 Sec. 452.306. CERTAIN FUNDING PROHIBITED; APPROVAL OF ROUTE
6 CHANGE. (a) This section applies only to a municipality that:

7 (1) has a population of more than 200,000 and less
8 than 250,000; and

9 (2) is located in a county in which another
10 municipality with a population of more than one million is
11 predominantly located.

12 (b) State funding or funding from any local option method
13 of finance authorized at an election may not be used to directly
14 or indirectly finance a project with the purpose of
15 circumventing or moving the Orange Line of the authority to
16 which this subchapter applies from its established proposed
17 route directly into the operational area of the Dallas-Forth
18 Worth International Airport located between Terminals A and B.

19 (c) Only if approved by resolution adopted by the governing
20 body of a municipality to which this section applies may a
21 deviation occur in the Orange Line route and alignment from
22 Bachman Station in northwest Dallas, northwest to the Las
23 Colinas Urban Center by the year 2011, continuing northwest to
24 the Belt Line Station by the year 2012, continuing to the
25 northwest along the south side of State Highway 114, turning
26 south along International Parkway, and not crossing State
27 Highway 121 or State Highway 114 after entering onto Dallas-
28 Forth Worth International Airport property to create the
29 shortest, most direct route practicable to facilitate a direct
30 connection to the operational area of Dallas-Forth Worth
31 International Airport located between Terminals A and B by the
32 year 2013.

ARTICLE 46. LAND RECLAMATION PROJECT AGREEMENT

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SECTION 46.01. Subchapter C, Chapter 361, Health and Safety Code, is amended by adding Section 361.1127 to read as follows:

Sec. 361.1127. LAND RECLAMATION PROJECTS USING TIRES.

(a) In this section:

(1) "Land reclamation" means the process of restoring an area of excavated, deteriorated, or disturbed land to its approximate natural grade and to prepare or reclaim the land for reuse.

(2) "Scrap tire" has the meaning assigned by Section 361.112.

(b) A person may not begin a land reclamation project using scrap tires without a permit issued by the commission under this chapter.

(c) A person may not use scrap tires for a land reclamation project unless the tires are shredded, split, or quartered as provided by commission rule. The commission may grant an exception to this requirement if the commission finds that circumstances warrant the exception.

(d) The commission may not grant a permit for a land reclamation project using scrap tires before:

(1) the commission receives comments or suggestions from:

1 (A) the governing body of any municipality in
2 the corporate limits of which the proposed project is located;
3 or

4 (B) if the proposed project is not located in a
5 municipality:

6 (i) the commissioners court of each county
7 in which the proposed project is located;

8 (ii) each groundwater conservation
9 district, if any, in which the proposed project is located; and

10 (C) the Texas Department of Transportation,
11 regarding whether the tires to be interred during the proposed
12 land reclamation project might be diverted into road maintenance
13 projects administered by the department; or

14 (2) the expiration of a time period, established by
15 commission rule, in which the entities described by this
16 subsection may offer comments.

17 (e) The application to request a permit for a land
18 reclamation project using scrap tires must include at a minimum:

19 (1) a legal description of the area to be reclaimed;

1 (2) a map clearly identifying the area to be
2 reclaimed and the topography of the area;

3 (3) an affidavit from the property owner certifying
4 that the reclamation project complies with this section and the
5 rules adopted under this section; and

6 (4) an analysis and evaluation of the environmental
7 impacts on the soil and groundwater in the area of the proposed
8 project that compare the impact of using scrap tires for the
9 proposed reclamation project to the impact of at least one
10 reasonable alternative method of land reclamation for the
11 proposed project.

12 (f) The commission by rule shall:

13 (1) prescribe minimum standards to protect the soil
14 and water for a land reclamation project using scrap tires; and

15 (2) adopt application forms and procedures for the
16 permitting process under this section.

17 (g) The commission may amend, extend, transfer, or renew a
18 permit issued under this section as provided by this chapter and
19 commission rule.

1 (h) The notice and hearing procedures provided by this
2 subchapter apply to a permit issued, amended, extended, or
3 renewed under this section.

4 (i) The commission may, for good cause, deny, revoke, or
5 amend a permit under this section for reasons concerning public
6 health and safety, air or water pollution, land use, or a
7 violation of this section as provided by Section 361.089.

8 (j) The commission shall enter an agreement with the Texas
9 Department of Transportation to explore and develop
10 opportunities to divert scrap tires from land reclamation
11 projects to recycling projects, including road maintenance
12 programs operated by the department.

13 SECTION 46.02. (a) Before September 1, 2010, the Texas
14 Commission on Environmental Quality shall adopt any rules
15 required to implement Section 361.1127, Health and Safety Code,
16 as added by this Act.

17 (b) On or after the effective date of this Act, any person
18 responsible for an ongoing or pending land reclamation project
19 using scrap tires that has not yet placed the tires below ground
20 may not place the tires below ground until the person has

1 obtained a permit under Section 361.1127, Health and Safety
2 Code, as added by this Act.

3 (c) To the extent that a land reclamation project using
4 scrap tires has placed tires below ground before the effective
5 date of this Act, the project is subject to the law in effect on
6 the date the tires were placed below ground, and that law is
7 continued in effect for that purpose.

8 (d) Before September 1, 2010, the Texas Commission on
9 Environmental Quality shall enter the agreement with the Texas
10 Department of Transportation as required by Section 361.1127(j),
11 Health and Safety Code, as added by this Act.

12

13

1 ARTICLE 47 . EFFECTIVE DATE

2 SECTION 47.01 . Except as otherwise provided by this Act,

3 this Act takes effect September 1, 2009.

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ARTICLE 1. GENERAL COMMISSION AND DEPARTMENT PROVISIONS

SECTIONS 1.01 to 1.09. Chapter 201, Transportation Code, and Section 52.092, Election Code are amended to provide for a 15-member Transportation Commission. The at large member is the chair. The term of the chair begins January 1, 2011. The Legislature is to reapportion the geographic districts considering county lines, senatorial and representative districts, and commissioners' precincts. Also, makes conforming changes in existing law to provide for elected commissioners. *(2nd Reading Amendments 1 by McClendon and Amendment 3 by Leibowitz; and 3rd Reading Amendment 15 McClendon)*

+SECTION 1.04. Section 201.054, Transportation Code, is amended to provide that members elected from geographic districts would serve two-year terms, and the member elected at large would serve a four-year term.

No equivalent provision.

No equivalent provision.

SECTION 1.01. Section 201.051, Transportation Code, maintains the Governor's appointment of five commission members. Clarifies eligibility requirements for commission members.

Provides that if the Governor does not appoint a member by February 28 of an odd-numbered year, the appointment transfers to the Lt. Governor.

SECTIONS 1.02 and 1.36. Section 201.054, Transportation Code, is amended to provide for two-year rather than six-year terms for the Transportation Commission.

SECTION 1.03. Section 201.054, Transportation Code, is amended to requires the Commission to make a sound and video recording of each commission meeting and commission work shop, and post them within 24 hours on the department's website.

SECTION 1.04. Subchapter B, Chapter 201, Transportation Code, is amended by adding Section 201.060 to specify that an assistant to a member of the Transportation Commission is not required to report to the Executive Director or another

Same as Senate version, but do not include provision below regarding appointment authority transferring to the Lt. Governor.

Do not include this provision.

Retains current law that provides for 6-year staggered terms for the Transportation Commission.

Same as Senate version.

Same as Senate version.

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No equivalent provision.

SECTION 1.09. Redesignates Section 201.0545, Transportation Code, relating to recommendations to the Legislature, as 201.053.

SECTION 1.22. Section 201.0545, Transportation Code is repealed.

member of the Commission.

SECTION 1.06. Subchapter C, Chapter 201, Transportation Code, is amended to authorize the Transportation Commission to establish advisory committees.

SECTION 1.34. Section 201.0545, Transportation Code, is repealed, deleting language providing for the Commission and its chair to report to the legislature on statutory changes and legislative recommendations to improve the operation of the department.

Do not add. SB 348 passed with same provision.

Do not include either provision. The provision providing for the Commission and its Chair to report to the legislature on statutory changes and legislative recommendations to improve the operation of the department should remain in statute.

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SECTION 1.10. Section 201.105, Transportation Code, is amended to provide for aligning the districts' boundaries along the boundaries of regional planning commissions created under Chapter 391, Local Government Code. Authorizes the Commission to vary from the boundaries of a regional planning commission to avoid significant adverse economic impact, cost inefficiency, and workforce disruptions, and requires the Commission to report to the legislature if it does.

SENATE VERSION

No equivalent provision.

CONFERENCE

Same as House version as amended as follows:

SECTION 1.10. Section 201.105, Transportation Code, is amended by amending Subsections (a) and (b) and adding Subsections (h) and (i) to read as follows:

(a) ~~[In determining a district's boundaries,]~~ The commission shall divide the state into ~~[not more than 25]~~ districts for the purpose of the performance of the department's duties.

(b) The commission shall may align the districts' boundaries along the boundaries of regional planning commissions created under Chapter 391, Local Government Code, and shall consider all costs and benefits, including highway activity in determining [and] the number of employees required for the proposed districts [district].

~~(h) In establishing district boundaries under Subsection (b), the commission may vary from the boundaries of a regional planning commission created under Chapter 391, Local Government Code, to the extent it determines necessary to avoid:~~

~~(1) significant adverse economic impact on local communities caused by the closing of one or more existing department offices;~~

~~(2) significant cost inefficiencies caused by the realignment of existing district boundaries; or~~

~~(3) significant disruptions to the existing workforce of one or more districts.~~

~~(i) If the commission varies from the boundaries of a regional planning commission as authorized by Subsection (h), the commission shall send a report explaining the variances to:~~

~~(1) the Legislative Budget Board;~~

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SECTION 1.11. Subchapter C, Chapter 201, Transportation Code, is amended to apply standard Sunset across-the-board recommendations that require the Commission to make effective use of technology in its delivery of services and provision of information to the public, and requires the Commission to develop a policy that encourages the use of negotiated rulemaking and alternative dispute resolution.

SECTIONS 1.12 and 1.13. Sections 201.201 and 201.202, Transportation Code, are amended to establish a rail transportation division, make a conforming change regarding the person designated by the chair of the commission to supervise highways and roads divisions, and provide for a chief financial officer to report directly to the commission.

SECTION 1.14. Section 201.204, Transportation Code, is amended to change the department's sunset date to 2013.

SECTION 1.05. Same as House version.

SECTION 1.07. Same as House version.

SECTION 1.08. Same as House version.

~~(2) the governor;~~
~~(3) the chair of the House Transportation Committee;~~
~~(4) the chair of the Senate Transportation and Homeland Security Committee;~~
~~(5) the chair of the Senate Finance Committee; and~~
~~(6) the chair of the House Appropriations Committee.~~

Same as House version amended as follows:
Sec. 201.117. TECHNOLOGICAL SOLUTIONS. The commission shall implement a policy requiring the department to use appropriate technological solutions to improve the department's ability to perform its functions. The policy must ensure that the public is able to interact with the department on the Internet. In addition, the commission shall use available technology to enhance compliance with Chapter 601, Transportation Code, Texas Motor Vehicle Safety Responsibility Act.

Same as House version.

Same as House version.

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SECTION 1.15. Subchapter D, Chapter 201, Transportation Code, is amended to require the Commission members and TxDOT's Chief Financial Officer to certify the establishment of, adherence to, and effectiveness of internal controls at the Department. Requires the Transportation Legislative Oversight Committee to recommend appropriate penalties for failure to submit the certifications.

Prohibits a member of the Commission or a department employee from using any money under the department's control or engaging in an activity to influence the passage or defeat of legislation. Specifies that violation of these requirements is grounds for dismissal of an employee. Specifies that these prohibitions do not prohibit a member of the Commission or department employee from using state resources to provide public information or information responsive to a request; or to communicate with the federal government in pursuit of federal appropriations.

Requires TxDOT and its employees to develop, adopt, and adhere to a Code of Ethics, and to establish an ethics hotline

SENATE VERSION

SECTION 1.09. Similar to House version, but does not require commission members to certify the establishment of, and effectiveness of internal controls at the Department.

Similar to House version, but adds language to clarify that a member of the Commission or a department employee may not use state resources to engage in an activity to influence the passage or defeat of legislation. Specifies that violation of these requirements is grounds for dismissal of an employee who directs or carries out the violation. Adds to the language in HB 300 to specify that these prohibitions do not prohibit a member of the Commission or department employee from using state resources to influence the passage or defeat of federal legislation or regulation.

Same as House version.

CONFERENCE

Same as Senate version.

Same as Senate version as amended as follows:

Sec. 201.211. LEGISLATIVE LOBBYING. (a) In addition to Section 556.006, Government Code, a member of the commission, the director, or a department employee may not use money under the department's control or state resources to engage in an activity to influence the passage or defeat of legislation, except as provided by Subsection (c).

(b) Violation of Subsection (a) is grounds for dismissal of an employee who directs or carries out the violation.

(c) This section does not prohibit a member of the commission, the director, or a department employee from using state resources to:

(1) provide public information or information responsive to a request;

(2) communicate with officers and employees of the federal government in pursuit of federal appropriations; or

(3) influence the passage or defeat of federal legislation or regulation on an issue that the commission by order specifies and in accordance with the directions given in such an order.

Same as House version.

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for reporting violations.

Requires TxDOT staff to present the agency's LAR to the Transportation Commission in a timely manner.

SECTIONS 1.16 and 1.17. Subchapter E, Chapter 201, Transportation Code, is amended to remove language in statute establishing experience requirements for the Executive Director, including the requirement for the person to be a registered professional engineer. Also, makes other conforming changes.

SECTION 1.18. Section 201.404(b), Transportation Code, is amended to require the director or director's designee to evaluate the performance of its administrative and decision-making staff to determine whether employees should retain their positions within the Department. *(2nd Reading Amendment 8 by Swinford)*

SECTION 1.19. Subchapter H, Chapter 201, Transportation Code, is amended to add a provision requiring the Department to delegate the responsibility for obtaining environmental review for a project using federal or state funds or on the federal or state highway system, to a toll project entity, upon request of the entity and to the extent permitted by federal law. Requires the review documents to meet the approval of the Federal Highway Administration or TxDOT, as appropriate.
2nd reading amendment 9 by Wayne Smith

Same as House version.

SECTION 1.11. Removes requirement that the Executive Director be a registered professional engineer in this state

SECTION 1.12. Same as House version.

No equivalent provision.

Same as House version.

Same as Senate version.

Same as House version.

Same as House version as amended as follows:
Sec. 201.6041. DELEGATION OF ENVIRONMENTAL REVIEW TO LOCAL TOLL PROJECT ENTITY. (a) In this section, "local toll project entity" means:
(1) a county under Chapter 284;
(2) a regional tollway authority under Chapter 366; or
(3) a regional mobility authority under Chapter 370.
(b) To the extent permitted by law, the department may ~~shall, on request by a local toll project entity~~, delegate to the entity all responsibility for obtaining environmental review required

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No equivalent provision.

SECTION 1.13. Section 201.703, Transportation Code, is amended to authorize TxDOT to spend federal and state funds for a transportation program or improvement of a transportation project that is not on the state highway system. Provides that state money may not be used exclusively for the construction of a road not on the state highway system. Authorizes TxDOT to contract for work or authorize a local government to contract for work involving a road not on the state highway system.

No equivalent provision.

SECTION 1.14. Section 202.021, Transportation Code, is amended add a provision authorizing TxDOT to waive payment and convey property if the governmental entity

for a project to be developed and constructed by the entity using federal or state funds, or a project to be constructed on a part of the federal highway system or state highway system. If authority is delegated under this section:

(1) the local toll project entity's environmental documents, environmental studies, and public involvement activities must comply with state procedures;

(2) the local toll project entity must provide the environmental documentation to the department;

(3) the environmental documents must meet the approval of the United States Department of Transportation, Federal Highway Administration, if the project requires the approval of that agency; and

(4) the environmental documents must meet the approval of the department, if the project affects a part of the state highway system.

Same as Senate version.

Do not add. SB 448 passed.

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No equivalent provision.

SECTION 1.20. Section 201.802, Transportation Code, is amended to clean up language regarding public access to the Transportation Commission.

SECTION 1.21. Subchapter K, Chapter 201, Transportation Code, is amended by adding Section 201.910 to require the Commission, by rule, to allow the placement of privately funded memorials along state highway right-of-way honoring non-DPS peace officers and special investigators who were killed in the line of duty based on substantially identical rules for the placement of privately funded memorials honoring DPS troopers killed in the line of duty.

SECTION 1.22. See SECTION 1.09, above.

SECTION 1.23. Subtitle A, Title 6, Transportation Code, is

assumes or has assumed jurisdiction, control, and maintenance of the right-of-way for public road purposes. Specifies that if the property ceases to be used for public road purposes, the rights automatically revert and transfer back to the state.

SECTION 1.16. Subchapter C, Chapter 202, Transportation Code, is amended by adding Section 202.061 to authorize the Texas Transportation Commission to enter into covenants for environmental remediation of real property owned by TxDOT to bring the property into compliance with zoning or land use controls imposed on the property by each applicable local government.

No equivalent provision.

No equivalent provision.

SECTION 1.17. Subchapter H, Chapter 201, Transportation

Do not add. SB 480 passed.

Same as House version.

Do not add. SB 2028 passed.

Same as Senate version as amended as follows:

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amended by adding Chapter 205 to establish an eight-member Transportation Legislative Oversight Committee to provide necessary oversight of TxDOT and the state's transportation system. Members include the Chairs of the Senate Committee on Transportation and Homeland Security and House Transportation Committee, Chairs of Senate Finance and House Appropriations, two members of the Senate appointed by the Lieutenant Governor, and two members of the House of Representatives appointed by the Speaker. *(2nd Reading Amendment 10 by Pickett)*

Sets out specific duties of the committee, including monitoring the department's planning, program, and funding of the state transportation system; conducting an in-depth analysis of the state transportation system; and advising, assisting, and making recommendations to the legislature on improvements to the state's transportation system.

Requires TxDOT to present its entire research program to the committee for review and comment before adopting or implementing the program. Authorizes the Committee to contract with Texas universities to conduct transportation research.

Authorizes the Committee to contract with a management consulting firm to assess and recommend organizational and process improvements at TxDOT.

is amended by adding Section 201.625 to establish a 22-member Transportation Legislative Oversight Committee to monitor certain duties, financial and policy issues, and organization of the department. Members include all members of the Senate Committee on Transportation and Homeland Security and House Transportation Committee; and the Chairs of Senate Finance and House Appropriations. Requires the committee to meet quarterly and at the call of the presiding officer. Provides for rotating chair between Chairs of the Senate and House transportation committees.

Specifies the duties of the committee are to monitor the department's implementation of changes made through the Sunset process; major transportation projects; changes to the department's organizational structure; significant transportation policy issues; and financial issues facing the department.

No equivalent provision.

No equivalent provision.

SECTION 1.23. Subtitle A, Title 6, Transportation Code, is amended by adding Chapter 205 to establish an eight-member Transportation Legislative Oversight Committee to provide necessary oversight of TxDOT and the state's transportation system. Members include the Chair of the Senate Committee on Transportation and Homeland Security and two other members of that committee appointed by the Lieutenant Governor; and the Chair of the House Transportation Committee and two other members of that committee appointed by the Speaker; and Chairs of Senate Finance and House Appropriations.

Same as Senate version.

Same as Senate version.

Same as Senate version, but require TxDOT to consult with the oversight committee on the scope of any outside management audits of the department's organizational

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Provides for TxDOT employees who primarily perform duties related to the department's government and public affairs research section become employees of the Transportation Legislative Oversight Committee and that funds appropriated to the department's government and public affairs research section are transferred to the oversight committee.

No equivalent provision.

No equivalent provision.

SECTION 1.24. Subchapter Z, Chapter 311, Transportation Code, is amended to require notice by a municipality that imposes a fee on the user of property that is benefitted by a

Requires the department to enter an interagency agreement with the legislature, a chamber of the legislature, or a legislative agency to provide funding not to exceed \$1 million for the biennium to support the operation of the committee.

SECTION 1.19. Subchapter F, Chapter 224, Transportation Code is amended by adding Section 224.1544 to provide for the Transportation Commission to authorize the operation of a vehicle or combination that exceeds a height, length, or gross weight limitation on a lane designed as an exclusive lane if supported by engineering and traffic studies. The section does not authorize the operation of vehicle axle weights greater than authorized in other law.

SECTION 1.35. Section 545.353, Transportation Code is amended by adding Subsection (h-2) to authorize the Transportation Commission to establish a speed limit of 85 miles per hour if it is determined after investigation to be safe and reasonable for that part of the highway system and the part of the highway system is designed for a speed of 85 miles per hour or more.

SECTION 24.02. Same as House version.

structure.

Same as Senate version.

Same as Senate version.

Same as Senate version.

Same as House version as amended as follows:

SECTION 1.24. Subchapter Z, Chapter 311, Transportation Code, is amended to require notice by a municipality that

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transportation system owned by the municipality. Provides for notice to the Department and the user of the fee and specifies the means by which notice must be given to the Department and the user.

imposes a fee on the user of property that is benefitted by a transportation system owned by the municipality. Provides for notice to ~~the Department~~ and the user of the fee and specifies the means by which notice must be given to ~~the Department~~ and the user.

SECTIONS 1.25 and 1.26. Section 201.051, Transportation Code, is amended by adding Subsection (h) to provide for commissioner vacancies to be filled by election by the Legislature by a majority of the votes cast in each house sitting separately. Provides for the appointment of members for terms to begin September 1, 2009. *(2nd Reading Amendment 4 by Veasey and 3rd Reading Amendment 16 by Veasey)*

No equivalent provision.

Same as Senate version.

SECTION 1.27. Requires TxDOT to determine the cost of upgrading the existing railroad tracks between Brownsville and Starr County for use as passenger and freight lines. *(2nd reading amendment 13 by Mando Martinez)*

No equivalent provision.

Same as House version.

SECTIONS 1.28 and __. Subchapter E, Chapter 186, Utilities Code, is amended to provides that a common carrier, energy transporter, or gas utility has the right to lay and maintain lines along, over, under, and across a public road, and interurban railroad, a street railroad, a canal or stream, or a municipal street or alley only if the entity is subject to the jurisdiction of the Railroad Commission of Texas and subject to safety standards, and complies with all applicable state and federal rules including those relating to the horizontal and vertical location of a pipeline. Specifies that the granted

No equivalent provision.

Same as Senate version.

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rights relating to municipal streets or alleys are subject to payment of charges. Requires an energy transporter to relocate its pipeline facilities at its own expense unless it has a property interest in land occupied by the pipeline to be relocated. Requires an entity that lays or maintains lines under the section to promptly restore any transportation facility, canal, or stream to its former condition of usefulness after the installation or maintenance is complete.

SECTION 1.29. Section 201.403, Transportation Code, is amended by adding Subsection (a-1) to provide that the Department does not have to post certain positions during a legislatively mandated hiring freeze if a vacancy can be filled by the transfer or reassignment of a department employee. *(2nd Reading Amendment 17 by Isett)*

SECTION 1.30. Section 201.403, Transportation Code, is amended by adding Subsection (a-1) to provide that the Department does not have to post certain positions during a legislatively mandated hiring freeze or as part of a reorganization if a vacancy can be filled by the transfer or reassignment of a department employee. *(2nd Reading Amendment 18 by Phillips)*

SECTION 1.31. Subchapter H, Chapter 201, Transportation Code, is amended by adding Section 201.6041 to require the department, before entering into a contract for the construction of a tolled highway project, to report on the findings of a draft environmental impact statement regarding the advantages and disadvantages of pursuing the project as a

No equivalent provision.

Same as House version.

No equivalent provision.

Same as House version.

No equivalent provision.

Same as House version.

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tolled rather than a nontolled highway project or other alternatives. *(2nd Reading Amendments 19 by Coleman and 20 by Pickett)*

SECTION 1.32. Subchapter D, Chapter 201, Transportation Code, is amended by adding Section 201.2025 to require TxDOT's business development and program office to administer its disadvantaged business enterprise program and small business enterprise program. *(2nd Reading Amendment 23 by Y. Davis)*

SECTION 1.33. Subchapter H, Chapter 201, Transportation Code, is amended by adding Section 201.622 to provide that the commission may not require each proposed highway or other mobility project in development, or under construction be evaluated for tolling. *(2nd reading Amendment 24 by Harper-Brown)*

SECTION 1.34. Section 201.903, Transportation Code, is amended by adding Subsection (c) to provide that to the extent allowable by federal law, each TxDOT sign on I-35 that identifies an intersection with Hwy 57 and includes the name of a municipality or an unincorporated community located on Hwy 57 must include the words "Crystal City." *(2nd reading amendment 26 by Tracy King and 3rd reading Amendment 11 by Tracy King)*

SECTION 1.35. Sections 201.909(c) and (d), Transportation Code, are amended to provide that a sign designed and posted

No equivalent provision.

No equivalent provision.

No equivalent provision.

No equivalent provision.

Same as Senate version.

Same as House version.

Same as House version.

Same as Senate version.

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under the Memorial Sign Program to include the phrase “Drive Safely,” and includes the selection of a phrase as part of a request for such a sign. *(2nd reading amendment 27 by Alonzo)*

SECTION 1.36. Section 202.021, Transportation Code, is amended to require TxDOT to make the strongest effort to dispose of property that has ceased to serve the functions of the department, taking into consideration the use of the property during the following 10 years. *(2nd Reading Amendment 28 by Pickett)*

SECTION 1.37. Subchapter B, Chapter 202, Transportation Code, is amended by adding Section 202.0215 to authorize the department, in acquiring right-of-way property, to take title to unusable remainder property not to be used for right-of-way purposes and requires the department to consider offering the unusable property to a nonprofit corporation designated by the municipality or county in which the property is located, without cost to the nonprofit. *(2nd Reading Amendment 29 by Alonzo and Amendment 30 by Pickett)*

SECTION 1.38. Section 203.031, Transportation Code, is amended to require the Transportation Commission to adopt rules to provide procedures for appealing a decision by a TxDOT district office to deny access to a specific location on a controlled access highway, including procedures that allow an applicant to appeal the denial to the design division of

No equivalent provision.

Same as House version.

No equivalent provision.

Same as House version.

SECTION 1.15. Same as House version.

Same as House version, but requires TxDOT to adopt rules by January 1, 2010.

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TxDOT. *(2nd Reading Amendment 31 by Callegari)*

SECTION 1.39. Subchapter A, Chapter 222, Transportation Code, is amended by adding Section 222.004 to authorize the Department, a county, a regional tollway authority, or a regional mobility authority to enter into an agreement to provide funds to a state or federal agency to expedite the environmental review process. *(2nd reading amendment 32 by Harper-Brown)*

SECTION 1.40. (a) Chapter 222, Transportation Code, is amended by adding Subchapter F to require the department to establish a pilot program in at least one county that is part of a RMA to study the feasibility of assessing a VMT road user fee. *(2nd Reading Amendment 33 by Harper-Brown)*

SECTION 1.41. Section 228.057(e), Transportation Code, is amended to read as follows:

(e) Electronic toll collection customer account information, including contact and payment information and trip data, is confidential and not subject to disclosure under Chapter 552, Government Code, and may not be sold to a third party.

SECTION 1.42. Subchapter A, Chapter 201, Transportation Code, is amended by adding Section 201.004 to prohibit any person from retaining or employing, or accepting employment or rendering any service to influence an administrative action at the department or Transportation Commission for

SECTION 2.08. Same as House version.

No equivalent provision.

No equivalent provision.

No equivalent provision.

Same as House version.

Same as House version.

Do not include. SB 375 passed.

Same as Senate version.

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compensation or for a commission contingent upon the passage or defeat of the administrative action. *(2nd Reading Amendment 80 by Anchia)*

SECTION 1.43 to 1.45. Redesignates Sections 223.201-223.209, Transportation Code, as Subchapter E, Chapter 371, Transportation Code, to specify that a restriction on TxDOT in connection with a CDA applies equally to a toll project entity, and makes conforming changes to reflect the unified treatment of CDAs in statute.

Deletes the provision authorizing a toll project entity to enter into a CDA for a facility or a combination of facilities on the Trans-Texas Corridor. Adds a provision extending authority to regional mobility authorities to enter into a CDA for a “transportation project.”

Establishes that the authority to enter into CDAs expires on August 31, 2013.

House Amendment 134 (Phillips), as amended by third reading Amendments 1 (Dunnam/Phillips), 2 (Leibowitz), 3 (Phillips), and 4 (Phillips)

Prohibits a person from serving as a consultant, advisor, auditor, or other expert regarding a CDA or other public-private partnership if the person or the person’s affiliate has a financial interest in those ventures.

House Amendment 63 (Rodriguez)

No equivalent provision.

No equivalent provision.

No equivalent provision.

No equivalent provision.

Same as Senate version.

Same as Senate version.

Same as House version.

Same as House version as amended as follows:
Prohibits a person from serving as a consultant, advisor, auditor, or other expert to the department (TxDOT) regarding a CDA or other public-private partnership if the person or the person’s affiliate has a financial interest in those ventures.

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Specifies that a toll project entity may not enter into a CDA for a toll project that contains a provision:

- limiting or prohibiting construction, maintenance, or other types of road-related work on a nontolled highway; or
- requiring a toll project entity to reimburse a private entity for loss of toll revenue due to the construction of a nontolled highway.

*House Amendment 70 (Farrar), as amended by third reading
House Amendment 1(Dunnam/Phillips)*

No equivalent provision.

Same as Senate version. (See SECTION 4.05, House version, for similar provision.)

Requires that a business entity submitting a bid on a highway construction or maintenance project disclose, within 30 days after submission, the following:

- Each political contribution of \$1,000 or more made in the preceding four years to a candidate, officeholder, or political committee required to file with the Texas Ethics Commission. Specifies that the provision applies to contributions made by the business entity, an individual with a substantial financial interest in the business entity, or a political committee established or administered by the entity.
- Each lobbying expenditure made in the four preceding

No equivalent provision.

Same as Senate version.

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years by or on behalf of the business entity.

Defines “substantial financial interest” and other terms used in the provision.

Specifies that a business entity that has not made a political contribution or a lobbying expenditure subject to disclosure shall deliver to the chief administrative officer of the applicable toll project entity or that officer’s designee a written statement that the business entity has not made an expenditure that must be disclosed. Specifies that a toll project entity may not consider a bid submitted by a business entity that does not comply with this section.

House Amendment 61 (Moody), as amended by third reading Amendment 1 (Dunnam/Phillips)

SECTION 1.46. Subsection 201.706(1), Transportation Code, is amended to increase the dollar amounts of TxDOT assistance to local governments under this section from at least \$6 million per year to at least \$18 million per year. *(House Floor Amendment 135 by Chisum)*

SECTION 1.47. Subtitle K, Title 6, Transportation Code, is amended by adding Chapter 462 to authorize Texas to join the Southern High-Speed Rail Compact with Alabama, Louisiana,

No equivalent provision.

No equivalent provision.

Same as House version as amended as follows:

SECTION 1. Subsection 201.706(1), Transportation Code, is amended to read as follows:

(1) Provide that the total annual value of assistance under this section is:

~~[(A) at least \$12 million per year for fiscal years 1998 and 1999, and]~~

(B) at least ~~[\$6]~~ \$18 million per year for a fiscal year [other than 1998 or 1999] provided that there is surplus material available.

Do not include. HB 646 passed.

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and Mississippi.

(House 2nd reading amendment 144 and 145 by Hughes)

SECTION 1.48. Section 521.142(e), Transportation Code, is amended to require an application for an original drivers license to include any other information the department requires to determine the applicant's identity, competency, and eligibility, except the application may not include an inquiry as to whether the applicant has been diagnosed with, treated, or hospitalized for a psychiatric disorder. *(2nd Reading Amendment 161 by Coleman)*

No equivalent provision.

Same as Senate version.

SECTION 1.49. Section 201.109(b), Transportation Code, is amended to delete language directing the Transportation Commission to maximize revenue from its assets, including real estate, to increase the role of the private sector and public-private projects in developing highway projects, and to increase private investment in transportation infrastructure. *(2nd Reading Amendment 172 by Coleman)*

No equivalent provision.

Same as House version.

SECTION 1.50. PRESIDIO INTERNATIONAL BRIDGE. Provides for the department to sell and convey the Presidio International Bridge to the City and County of Presidio at cost. Allows the department to maintain up to a 10 percent minority share of ownership so long as it does not preclude the city and county from charging a toll for use of the bridge by passenger, commercial, pedestrian, or other traffic. *(3rd*

No equivalent provision.

Replace the House version with the following language:
SECTION __.__. Subchapter B, Chapter 202, Transportation Code is amended by adding Section 202.036 to read as follows:
Sec. 202.036. SALE OF PRESIDIO INTERNATIONAL BRIDGE. (a) The department shall sell at cost and convey the Presidio International Bridge to the City of Presidio and

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Reading Amendment 7 by Gallego)

County of Presidio only if:

(1) the sale is allowed under federal law;

(2) the County of Presidio and the City of Presidio jointly send to the department a written request for the sale; and

(3) the department is able to verify that the County of Presidio and the City of Presidio have obtained the appropriate financing to purchase the bridge.

(b) The department shall expeditiously handle the sale under this section in accordance with applicable state and federal laws.

(c) The department may maintain up to a 10 percent minority share ownership of the bridge, but only if such an ownership does not preclude the County of Presidio and the City of Presidio from charging a toll for use of the bridge by passenger, commercial, pedestrian, or other traffic.

SECTION 1.51. Notwithstanding any other provision of this Act, the changes made in law by this Act do not apply to the following enumerated projects. Such projects are governed by the law as it existed immediately before the effective date of the Act, and those provisions are continued in effect for that purpose. The projects subject to this section are:

(1) All segments of State Highway 130 from Georgetown to Seguin.

(3rd Reading Amendment 10 by Kuempel)

No equivalent provision.

Same as Senate version.

SECTION 1.52. Provides for the election of the first chair of the commission of transportation in November, 2010 to serve

No equivalent provision.

Same as Senate version.

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for a term that begins January 1, 2011, and provides for the transition from the current commission structure to the new elected commission.

SECTION 1.53. Specifies that the provisions in the bill do not apply to the following projects. :

- (1) the State Highway 161 project from State Highway 183 to IH 20 in Dallas County;
- (2) the DFW Connector project in Tarrant and Dallas Counties (State Highway 114 from State Highway 114L Business to east of International Parkway and State Highway 121 from north of FM 2499 to south of State Highway 360);
- (3) the North Tarrant Express project in Tarrant and Dallas Counties (IH 820 and State Highway 121/State Highway 183 from IH 35W to State Highway 161, IH 820 east from State Highway 121/State Highway 183 to Randol Mill Road, and IH 35W from IH 30 to State Highway 170);
- (4) the IH 635 managed lanes project in Dallas County (IH 635 from east of Luna Road to Greenville Avenue and IH 35E from south of the Loop 12/IH 35E split to south of Valwood Parkway);
- (5) a project associated with the highway designated as the Trinity Parkway in the city of Dallas;
- (6) Phase 4 extension of the Dallas North Tollway in Denton County from U.S. 380 to the Grayson County line to be developed by North Texas Tollway Authority;
- (7) the Southwest Parkway (State Highway 121) in Tarrant County from Dirks Road/Altamesa Boulevard to IH 30; or
- (8) the Trinity Parkway.

No equivalent provision.

Same as Senate version.

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(Third reading amendments 10 by Kuempel, 19, by Giddings, and 20, by Paxton)

No equivalent provision.

SECTION 1. __. Section 21.042, Property Code, is amended by adding Subsection (h) to read as follows:

(h) This subsection applies only in connection with a portion of a tract or parcel of real property that is condemned in connection with a highway or other transportation project of the Texas Department of Transportation. In estimating injury or benefit under Subsection (c), the special commissioners shall consider an injury or benefit that is peculiar to the property owner and that relates to the property owner's ownership, use, or enjoyment of the particular parcel of real property, including a material impairment of direct access on or off the remaining property that affects the market value of the remaining property, but they may not consider an injury or benefit that the property owner experiences in common with the general community, including circuitry of travel and diversion of traffic. In this subsection, "direct access" means ingress and egress on or off a public road, street, or highway at a location or locations where the remaining property adjoins that road, street, or highway. (Floor Amendment 3 by Hegar,, as amended by Floor Amendment 4 by Duncan/Estes)

Same as Senate version.

No equivalent provision.

SECTION 1. __. Section 21.042, Property Code, is amended by adding Subsection (i) to read as follows:

(i) This subsection applies only in connection with a portion of a tract or parcel of real property that is condemned in connection with a highway or other transportation project of a political subdivision or governmental entity of this state other

Same as Senate version.

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than the Texas Department of Transportation. In estimating injury or benefit under Subsection (c), the special commissioners shall consider an injury or benefit that is peculiar to the property owner and that relates to the property owner's ownership, use, or enjoyment of the particular parcel of real property, including a material impairment of direct access on or off the remaining property that affects the market value of the remaining property, but they may not consider an injury or benefit that the property owner experiences in common with the general community, including circuity of travel and diversion of traffic. In this subsection, "direct access" means ingress and egress on or off a public road, street, or highway at a location or locations where the remaining property adjoins that road, street, or highway. (Floor Amendment 3 by Hegar, as amended by Floor Amendment 4 by Duncan/Estes)

ARTICLE 2. TRANSPORTATION PLANNING AND PROJECT DEVELOPMENT PROCESS

SECTION 2.01. Section 201.601, Transportation Code, is amended to read as follows:

Sec. 201.601. STATEWIDE TRANSPORTATION PROGRAM AND BUDGET [PLAN]. [(a)] The department shall develop a statewide transportation program and budget under Subchapter H-1 [plan that contains all modes of transportation, including:
[(1) highways and turnpikes;
[(2) aviation;

Same as House version.

SECTION 2.02. Section 201.601, Transportation Code, is amended to read as follows:

Sec. 201.601. STATEWIDE TRANSPORTATION PLAN.
(a) The department shall develop a statewide transportation plan covering a period of not less than 25 years that contains all modes of transportation, including:
(1) highways and turnpikes;
(2) aviation;
(3) mass transportation;

Same as House version.

Same as Senate version as amended as follows:

SECTION 2.02. Section 201.601, Transportation Code, is amended to read as follows:

Sec. 201.601. STATEWIDE TRANSPORTATION PLAN.
(a) The department shall develop a statewide transportation plan covering a period of not less than 25 years that contains all modes of transportation, including:
(1) highways and turnpikes;
(2) aviation;

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~~[(3) mass transportation;~~

~~[(4) railroads and high-speed railroads; and~~

~~[(5) water traffic].~~

~~[(b) In developing the plan, the department shall seek opinions and assistance from other state agencies and political subdivisions that have responsibility for the modes of transportation listed by Subsection (a). As appropriate, the department and such an agency or political subdivision shall enter into a memorandum of understanding relating to the planning of transportation services.~~

~~[(c) The plan must include a component that is not financially constrained and identifies transportation improvements designed to relieve congestion. In developing this component of the plan, the department shall seek opinions and assistance from officials who have local responsibility for modes of transportation listed in Subsection (a).~~

~~[(d) The plan shall include a component, published annually, that describes the evaluation of transportation improvements based on performance measures, such as indices measuring delay reductions or travel time improvements. The department shall consider the performance measures in selecting transportation improvements.]~~

(4) railroads and high-speed railroads; and

(5) water traffic.

(a-1) The plan must:

(1) contain specific, long-term transportation goals for the state and measurable targets for each goal;

(2) identify priority corridors, projects, or areas of the state that are of particular concern to the department in meeting the goals established under Subdivision (1); and

(3) contain a participation plan for obtaining input on the goals and priorities identified under this subsection from:

(A) other state agencies;

(B) political subdivisions;

(C) planning organizations as defined in Section 201.981(2); and

(D) members of the general public.

~~(b) [In developing the plan, the department shall seek opinions and assistance from other state agencies and political subdivisions that have responsibility for the modes of transportation listed by Subsection (a).] As appropriate, the department and one or more of the entities listed in Subsection (a-1)(3) [such an agency or political subdivision] shall enter into a memorandum of understanding relating to the planning of transportation services.~~

~~(c) The plan must include a component that is not financially constrained and identifies transportation improvements designed to relieve congestion. In developing this component of the plan, the department shall seek opinions and assistance from officials who have local responsibility for modes of transportation listed in Subsection (a).~~

~~(d) If there is a conflict between obligations and requirements~~

(3) mass transportation;

(4) railroads and high-speed railroads; and

(5) water traffic.

(a-1) The plan must:

(1) contain specific, long-term transportation goals for the state and measurable targets for each goal, including reducing congestion throughout the state;

(2) identify priority corridors, projects, or areas of the state that are of particular concern to the department in meeting the goals established under Subdivision (1); and

(3) contain a participation plan for obtaining input on the goals and priorities identified under this subsection from:

(A) other state agencies;

(B) political subdivisions;

(C) planning organizations as defined in Section 201.981(2); and

(D) members of the general public.

~~(b) [In developing the plan, the department shall seek opinions and assistance from other state agencies and political subdivisions that have responsibility for the modes of transportation listed by Subsection (a).] As appropriate, the department and one or more of the entities listed in Subsection (a-1)(3) [such an agency or political subdivision] shall enter into a memorandum of understanding relating to the planning of transportation services.~~

~~(c) The plan must include a component that is not financially constrained and identifies transportation improvements designed to relieve congestion. In developing this component of the plan, the department shall seek opinions and assistance from officials who have local responsibility for modes of~~

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imposed in federal law governing the transportation planning, project development, and programming process for the department and planning organizations as defined in Section 201.981(2), and those imposed in this title, federal law controls and the commission may take any action that is necessary in its reasonable judgment to comply with any federal law to enable this state to receive federal aid funds.

(e) The department shall update the plan every five years or more frequently as necessary. [The plan shall include a component, published annually, that describes the evaluation of transportation improvements based on performance measures, such as indices measuring delay reductions or travel time improvements. The department shall consider the performance measures in selecting transportation improvements.]

No equivalent provision.

SECTION 2.03. Subchapter H, Chapter 201, Transportation Code, is amended by adding Section 201.6012, to read as follows:

Sec. 201.6012. INTEGRATION OF PLANS AND POLICY EFFORTS. In developing each of its transportation plans and policy efforts, the department must clearly reference the 25-year plan developed under Section 201.601 and specify how the plan or policy effort supports or otherwise relates to the specific goals contained in that plan.

SECTION 2.02. Chapter 201, Transportation Code, is

SECTION 2.07. Chapter 201, Transportation Code, is

transportation listed in Subsection (a).

~~(d) If there is a conflict between obligations and requirements imposed in federal law governing the transportation planning, project development, and programming process for the department and planning organizations as defined in Section 201.981(2), and those imposed in this title, federal law controls and the commission may take any action that is necessary in its reasonable judgment to comply with any federal law to enable this state to receive federal aid funds.~~

~~(e) The department shall update the plan every five years or more frequently as necessary. [The plan shall include a component, published annually, that describes the evaluation of transportation improvements based on performance measures, such as indices measuring delay reductions or travel time improvements. The department shall consider the performance measures in selecting transportation improvements.]~~

Same as Senate version.

Same as Senate version as amended as follows:

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amended by adding Subchapter H-1 to read as follows:

SUBCHAPTER H-1. STATEWIDE TRANSPORTATION
PLANNING AND FUNDING ALLOCATION

Sec. 201.651. DEFINITIONS. In this subchapter:

(1) "Planning organization" means:

(A) a metropolitan planning organization;

(B) a rural planning organization; or

(C) for an area that is not in the boundaries of a metropolitan
planning organization, the department district that serves the
area.

(2) "Project cost" means the total cost of a transportation
project, including all costs associated with:

(A) planning;

(B) design;

(C) environmental assessment;

(D) right-of-way acquisition;

(E) construction;

(F) operations;

(G) maintenance;

(H) overruns; and

(I) change orders.

(3) "Region" means the area for which a planning
organization develops plans and receives funds under this
subchapter.

(4) "Rural planning organization" means a planning
organization created under Section 201.653.

(5) "Transportation official" means an official in a state
agency or political subdivision who has responsibility for any
of the following modes of transportation:

(A) aviation;

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amended by adding Subchapter P to read as follows:

SUBCHAPTER P. PROJECT DEVELOPMENT
PROGRAM

Sec. 201.981. DEFINITIONS. In this subchapter:

(1) "Local transportation entity" means an entity that
participates in the transportation planning process. The term
includes:

(A) a metropolitan planning organization;

(B) a rural planning organization;

(C) a regional tollway authority organized under Chapter
366;

(D) a regional transportation authority operating under
Chapter 452;

(E) a rural transit district as defined by Section 458.001;

(F) a coordinated county transportation authority operating
under Chapter 460; and

(G) a regional mobility authority operating under Chapter
370.

(2) "Planning organization" means:

(A) a metropolitan planning organization;

(B) a rural planning organization; or

(C) for an area that is not in the boundaries of a metropolitan
planning organization or a rural planning organization, the
department district.

(3) "Transportation project" means the planning, right-of-way
acquisition, expansion, improvement, addition, or contract
maintenance, other than the routine or contracted routine
maintenance, of:

(A) a bridge;

(B) a highway;

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SUBCHAPTER P. UNIFIED TRANSPORTATION
PROGRAM

Sec. 201.981. DEFINITIONS. In this subchapter:

(1) "Local transportation entity" means an entity that
participates in the transportation planning process. The term
includes:

(A) a metropolitan planning organization;

(B) a rural planning organization;

(C) a regional tollway authority organized under Chapter 366;

(D) a regional transportation authority operating under
Chapter 452;

(E) a rural transit district as defined by Section 458.001;

(F) a coordinated county transportation authority operating
under Chapter 460;

(G) a regional mobility authority operating under Chapter
370; and

(H) a county, including a county operating under Chapter 284.

(2) "Planning organization" means:

(A) a metropolitan planning organization;

(B) a rural planning organization; or

(C) for an area that is not in the boundaries of a metropolitan
planning organization, the department district.

(3) "Transportation project" means the planning, right-of-way
acquisition, expansion, improvement, addition, or contract
maintenance, other than the routine or contracted routine
maintenance, of:

(A) a bridge;

(B) a highway;

(C) a toll road or toll road system;

(D) a railroad;

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(B) high-speed rail;
(C) highways;
(D) toll roads;
(E) mass transportation;
(F) railroads; and
(G) water traffic.
(6) "Transportation project" means:
(A) the planning of, right-of-way acquisition for, expansion of, improvement of, addition to, routine maintenance of, contracted routine maintenance of, or contract maintenance of a:
(i) bridge;
(ii) highway;
(iii) toll road or toll road system; or
(iv) railroad;
(B) a project that enhances the safety of a roadway to the traveling public;
(C) an air quality improvement initiative;
(D) a transportation enhancement activity under 23 U.S.C. Section 133; or
(E) mass transportation.

Sec. 201.652. PURPOSE. It is in the interest of this state to:
(1) encourage and promote the safe and efficient management, operation, and development of surface transportation systems that will serve the mobility needs of people and freight and foster economic growth and development in rural and urbanized areas of this state, while minimizing transportation-related fuel consumption and air pollution through metropolitan, rural, and statewide

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(C) a toll road or toll road system;
(D) a railroad;
(E) an enhancement of a roadway that increases the safety of the traveling public;
(F) an air quality improvement initiative; or
(G) a transportation enhancement activity under 23 U.S.C. Section 133.

No equivalent provision.

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(E) an enhancement of a roadway that increases the safety of the traveling public;
(F) an air quality improvement initiative; or
(G) a transportation enhancement activity under 23 U.S.C. Section 133.
(4) "Transportation official" means an official in a state agency or political subdivision who has responsibility for any of the following modes of transportation:
(A) aviation;
(B) high-speed rail;
(C) highways;
(D) toll roads;
(E) mass transportation;
(F) railroads; and
(G) water traffic.

Same as House version.

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transportation planning processes identified in this chapter; and
(2) encourage the continued improvement and evolution of the metropolitan, rural, and statewide transportation planning processes by planning organizations and public transit operators as guided by the planning factors identified in state and federal law.

Sec. 201.653. RURAL PLANNING ORGANIZATIONS. (a) To carry out the transportation planning process required by this subchapter, a rural planning organization may be created to serve an area that is located in the boundaries of a council of government and outside the boundaries of a metropolitan planning organization if the governing bodies of the units of local government in which at least 75 percent of the population of the area resides each adopt a resolution agreeing to the creation of the organization.

SECTION 2.12. Chapter 472, Transportation Code is amended by adding Subchapter E to read as follows:
SUBCHAPTER E. RURAL PLANNING ORGANIZATIONS
Sec. 472.151. DEFINITION. "Rural planning organization" means a planning organization created in accordance with Section 472.152 to carry out the rural transportation planning functions under Section 472.154 in areas that lie outside the boundaries of a metropolitan planning organization.

Sec. 472.152. CREATION OF RURAL PLANNING ORGANIZATION; BOUNDARIES. (a) A rural planning organization may be created by resolutions by the commissioners courts of:
(1) at least two counties, other than counties whose entire area is served by a metropolitan planning organization, that make up at least two-thirds of the counties in a regional planning commission under Chapter 391, Local Government Code; or
(2) at least two-thirds of the counties, other than counties whose entire area is served by a metropolitan planning organization, that make up a department district.

Do not include either version.

Do not include either version.

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(b) A rural planning organization is governed by a board of directors composed of local elected officials and the district engineer of the department district in which the area is located.

(c) For a rural planning organization to be eligible to receive funds from this state for transportation projects under Section 201.668:

(1) at least 75 percent of the organization's board members must be elected officials who are elected within the boundaries of the rural planning organization; and

(2) only elected officials may be voting members of the organization's board.

(d) A rural planning organization may be dissolved by official action of its board.

(e) As soon as practicable after a rural planning organization is created or dissolved, the organization shall send notice of its creation or dissolution to the commission.

(f) The department may use money in the state highway fund

(b) As soon as practicable after its creation, a rural planning organization shall send notice of its creation to the commission.

(c) The boundaries of a rural planning organization created by counties described by Subsection (a)(1) are the boundaries of the area served by the regional planning commission. The boundaries of a rural planning organization created by counties described by Subsection (a)(2) are the boundaries of the department district.

Sec. 472.153. COMPOSITION OF BOARD OF DIRECTORS OF RURAL PLANNING ORGANIZATION.

(a) A rural planning organization is governed by a board of directors whose membership may include:

(1) not more than 50 percent local elected officials representing political subdivisions located in the boundaries of the rural planning organization; and

(2) the district engineer of the department district or districts in the boundaries of the rural planning organization.

(b) The orders of the commissioners courts creating the organization under Section 472.152 must provide for the appointment of the initial board of directors.

(c) Additional directors may be appointed from residents of the area served by the rural planning organization in a manner determined by the board of directors.

Section 4 of Senate floor amendment 1 by Hegar

Sec. 472.155. DEPARTMENT PARTICIPATION. The

Do not include in either version.

Do not include either version.

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to fund the operations of a rural planning organization, subject to Section 201.672(c).

(g) A rural planning organization shall develop transportation plans and programs for its service area in accordance with this subchapter.

department:

(1) shall provide funds and personnel to assist rural planning organizations with rural transportation planning, which may include:

(A) eligible federal planning funds not designated for metropolitan planning organizations;

(B) money appropriated to the department from the state highway funds; and

(C) other funds as may be available to fund the operations of a rural planning organization;

(2) shall work with rural planning organizations to identify available sources of funding for rural transportation planning, which may include federal funds or transportation development credits; and

(3) may contract with rural planning organizations to provide services necessary to support rural transportation planning.

SECTION 2.05. Subchapter I, Chapter 201, Transportation Code, is amended by adding Section 201.712 to read as follows:

Sec. 201.712. FUNDS FOR RURAL PLANNING ORGANIZATION. The department may use money in the state highway fund to fund the operations of a rural planning organization.

Sec. 472.154. RURAL TRANSPORTATION PLANNING.

(a) A rural planning organization shall:

(1) establish regional transportation priorities, and prioritize and recommend to the department projects of regional significance in the boundaries of the area served by the organization; and

Do not include either version.

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(h) A rural planning organization may provide to the commission recommendations concerning the selection of transportation projects, systems, or programs to be undertaken in the boundaries of the rural planning organization.

(i) In this section, "elected official" means the presiding officer or a member of the governing body of a municipality, a county judge, a county commissioner, a state representative, or a state senator.

(j) If the rural planning organization does not provide recommendations under Subsection (h), the department shall seek input from the rural planning organization, municipal and county officials, and transportation officials to determine the transportation projects, systems, or programs to be undertaken in the boundaries of the rural planning organization.

Sec. 201.654. CASH FLOW FORECAST. (a) On September 1 of each odd-numbered year, the department's chief financial officer shall issue a cash flow forecast for each

(2) provide input to the department on projects involving the connectivity of the state highway system.

(b) A rural planning organization may provide planning assistance as may be necessary to support regional transportation priorities.

(b) A rural planning organization created by board resolution of a council of governments before the effective date of this Act that otherwise conforms to the requirements of this section is recognized as having been validly created under this Act.

Sec. 201.623. RECOMMENDATIONS FROM RURAL PLANNING ORGANIZATION. A rural planning organization may make recommendations to the commission concerning the selection of transportation projects, systems, or programs to be undertaken in the boundaries of the rural planning organization.

Sec. 201.984. ANNUAL FUNDING AND CASH FLOW

Same as Senate version.

Same as House version.

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method and category of funding that covers a period of not less than the 10 years following the date the forecast is issued.
(b) The forecast must identify all sources of funding available for transportation projects, including bond proceeds.
(c) The first two years of the forecast must be based on the appropriation of funds in the General Appropriations Act for the department for that biennium.

Sec. 201.655. ALLOCATION AND DEPOSIT OF FUNDING. (a) The commission shall use the cash flow forecast under Section 201.654 to allocate funding to the planning organizations in accordance with Section 201.668.
(b) The funds shall be deposited into subaccounts for each region in the state highway fund. The balance of the subaccount shall be carried forward from year to year for the benefit of the region.

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FORECASTS.
(a) The department annually shall:
(1) develop and publish a forecast of all funds the department expects to receive, including funds from this state and the federal government; and
(2) use that forecast to guide planning for the project development program.
(b) The department shall collaborate with local transportation entities to develop scenarios for the forecast required by Subsection (a) based on mutually acceptable funding assumptions.
(c) Not later than August 31 of each odd-numbered year, the department shall prepare and publish a cash flow forecast for the 10-year period that begins on September 1 of that odd-numbered year.
(d) The department shall update the forecast more frequently as needed if significant changes in the department's funding occur.

No equivalent provision.

CONFERENCE

Add new language as follows:
Sec. 201.XXX. ALLOCATION OF ESTIMATED FUNDING. (a) The commission shall use the cash flow forecast under Section 201.XXX to allocate funding to the planning organizations in accordance with Section 201.XXX.
(b) In this subchapter, unless the context clearly indicates otherwise, "funds" or "funding" means the estimates of federal and state money reasonably expected to be available for expenditure on transportation projects during the relevant period.

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Sec. 201.656. PLANNING ORGANIZATION 10-YEAR PLAN. (a) Each planning organization shall develop a 10-year transportation plan for the use of the funding allocated to the region.

(b) The first four years of the plan shall be developed to meet the transportation improvement plan requirements of 23 U.S.C. Section 135.

(c) The department shall compile the planning organizations' project selections to develop the statewide transportation plan in accordance with 23 U.S.C. Section 135.

Sec. 201.657. COORDINATION BETWEEN PLANNING ORGANIZATIONS TO DEVELOP LONG-TERM PLANNING ASSUMPTIONS. Planning organizations shall collaborate with one another and with the department to develop mutually acceptable assumptions for the purposes of long-range federal and state funding forecasts and use those assumptions to guide long-term planning.

Sec. 201.658. PLANNING ORGANIZATION PROJECT SELECTION AND PRIORITIZATION. (a) Each metropolitan planning organization and rural planning organization shall, for the area in its boundaries, select

Sec. 201.983. PLANNING ORGANIZATION 10-YEAR PLAN. (a) Each planning organization shall develop a 10-year transportation plan that is consistent with the criteria and definitions adopted by the commission under Section 201.982.

(b) The first four years of the plan shall be developed so as to comply with the transportation improvement plan requirements of federal law.

(c) In developing the statewide transportation improvement plan in accordance with federal law, the department shall:

(1) compile the metropolitan planning organizations' project selections; and

(2) collaborate with the rural planning organizations.

(d) The department shall develop the statewide transportation improvement plan in accordance with federal law.

Sec. 201.622. COOPERATION WITH METROPOLITAN PLANNING ORGANIZATIONS TO DEVELOP LONG-TERM PLANNING ASSUMPTIONS. The department and metropolitan planning organizations shall cooperate to develop mutually acceptable assumptions for the purposes of long-range federal and state funding forecasts that are consistent with the criteria established by the commission under Section 201.987 and use those criteria to guide long-range planning.

Sec. 201.9835. PROJECT PRIORITIZATION BY PLANNING ORGANIZATIONS. (a) Each metropolitan planning organization shall, for the area in its boundaries, develop a prioritized list of transportation projects that is

Same as Senate version.

Same as Senate version.

Same as Senate version.

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projects and order them in priority.

(b) For an area not located in the boundaries of a metropolitan planning organization or rural planning organization, the applicable department district shall:

(1) select projects and order them in priority with input from municipal and county officials and transportation officials; and

(2) submit the projects to the commission for final approval.

(c) A metropolitan planning organization or rural planning organization may delegate authority to select any category of projects and order them in priority to the applicable department district.

Sec. 201.659. PROCESS FOR DEVELOPING PLANS AND PROGRAMS. The process for developing the plans and programs under this subchapter must:

(1) provide for consideration of all modes of transportation;

(2) be continuing, cooperative, and comprehensive to the extent appropriate, based on the complexity of the transportation problems to be addressed; and

(3) give consideration to statewide connectivity of transportation services and infrastructure.

Sec. 201.660. PLANNING ORGANIZATION LONG-

consistent with the criteria established by the commission under Section 201.987. Projects that are not considered by the department and the planning organization to be of an appropriate scale for individual identification in a given program year may be grouped by function, geographic area, or work type.

(b) The department shall, with input from a rural planning organization, develop a prioritized list of transportation projects for the area in that rural planning organization's boundaries and submit the projects to the commission for final approval.

(c) For an area not located in the boundaries of a planning organization, the applicable department district shall:

(1) develop a prioritized list of transportation projects with input from municipal and county officials and officials of local transportation entities; and

(2) submit the transportation projects to the commission for final approval.

No equivalent provision.

Same as House version.

No equivalent provision.

Same as Senate version.

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RANGE PLAN. (a) A planning organization may also prepare and update periodically a long-range transportation plan for its region.

(b) The first 10 years of the long-range plan shall be identical to the plan developed under Section 201.656.

(c) Before approving a long-range transportation plan, a planning organization shall provide to residents in its boundaries, affected public agencies, and other interested parties a reasonable opportunity to comment on the long-range transportation plan.

(d) A planning organization shall make each of its long-range transportation plans readily available for public review and shall deliver each plan to the commission at the times and in the manner required by the commission.

Sec. 201.661. PARTICIPATION IN PLAN DEVELOPMENT. (a) In developing a plan under this subchapter, a planning organization shall seek the opinions and assistance of the appropriate transportation officials.

(b) As appropriate, the department and a metropolitan planning organization may enter into a memorandum of understanding relating to the planning of transportation services.

(c) The department shall review the plans of each planning organization to ensure compliance with the requirements of 23 U.S.C. Section 135, and provide assistance to a planning organization to correct deficiencies.

Sec. 201.662. PLANS TO BE FINANCIALLY CONSTRAINED. A plan under this subchapter must be

No equivalent provision.

Same as House version.

No equivalent provision.

Same as House version.

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financially constrained and identify transportation projects and projects for any other mode of transportation not included in Section 201.651(5).

Sec. 201.663. PLAN ADJUSTMENTS. The commission shall adopt rules to allow a planning organization to move projects forward or delay projects if there are additional or less funds available than identified in the cash flow forecast under Section 201.654. Adjustments to the plan may not be made more than semiannually, unless there are substantial increases or decreases in available funding.

Sec. 201.664. EVALUATION COMPONENT OF PLAN. A plan under this subchapter shall include a component, published annually, that describes the evaluation of transportation improvements based on performance measures, such as indices that measure delay reductions or travel time improvements. The planning organization shall consider the performance measures in selecting transportation improvements.

No equivalent provision.

No equivalent provision.

No equivalent provision.

Sec. 201.985. DESIGNATION AND INFORMATION ON CONSTRUCTION OF MAJOR TRANSPORTATION PROJECTS. (a) The commission by rule shall:
(1) establish criteria for designating a project as a major transportation project;
(2) develop benchmarks for evaluating the progress of a major transportation project and timelines for implementation and construction of a major transportation project; and
(3) determine which critical benchmarks must be met before

Same as House version.

Same as House version.

Same as House version.

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a major transportation project may enter the implementation phase of the project development program.

(b) The department shall annually update the list of projects that are designated as major transportation projects.

(c) In adopting rules required by this section, the commission shall collaborate with local transportation entities.

No equivalent provision.

Sec. 201.986. PROGRAM PRIORITY CLASSIFICATIONS.

(a) The commission by rule shall establish classifications in the project development program to designate the priority of each project included in the program and shall assign each project a classification. The classifications must include high, medium, and low priority levels.

(b) The department shall collaborate with local transportation entities when assigning each project included in the project development program to a classification established under Subsection (a).

(c) In the selection of projects for implementation, priority shall be given to projects with the highest classification within each applicable program funding category described by Section 201.982(b)(2).

Same as House version.

Sec. 201.665. DEPARTMENT'S STATEWIDE TRANSPORTATION PROGRAM AND BUDGET. (a) The department shall use the planning organizations' project lists to create the statewide transportation program and budget. The statewide transportation program and budget shall include at least:

- (1) the department's operating budget;
- (2) the official cash flow forecast under Section 201.654;

Sec. 201.987. PROJECT SELECTION. (a) The commission by rule shall establish criteria for selection by the department and each planning organization of projects to be included in the statewide transportation plan. The criteria must be based on the commission's transportation goals for the state and measurable targets for each goal.

(b) The department shall collaborate with planning organizations in the development of the criteria for selection

Same as the Senate version as amended as follows:

Sec. 201.987. PROJECT SELECTION. (a) The commission by rule shall establish criteria for selection by the department and each planning organization of projects to be included in the statewide transportation plan. The criteria must be based on the commission's transportation goals for the state and measurable targets for each goal.

(b) The department shall collaborate with planning

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- (3) the regions' allocations of funds;
- (4) the projects selected by the planning organization under Section 201.658; and
- (5) the work plan required by Section 201.674.
- (b) The statewide transportation program and budget shall be complete and adopted not later than June 30 of each even-numbered year. The commission shall adopt rules to create a process for planning organizations to amend the plan from July 1 of each even-numbered year until August 31 of the following year. Amendments to the plan may only reorder projects identified in the same region subject to Section 201.663.

Sec. 201.666. LENDING FUNDS BETWEEN PLANNING ORGANIZATIONS. (a) The commission may adopt rules to allow a planning organization to loan funds to another planning organization at the lending organization's discretion. Funds may be loaned under this section only to avoid the lapsing of federal appropriations authority.

(b) The rules must allow the lending planning organization to

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- of projects.
- (c) The commission shall determine and approve the final selection of projects to be included in the statewide transportation plan.
 - (d) The commission shall consider the prioritized list of transportation projects developed by metropolitan planning organizations operating in areas that are a transportation management area, as defined by 23 U.S.C. Section 134(k), for projects funded as congestion mitigation and air quality improvement projects, and metropolitan mobility or rehabilitation projects, unless the commission determines that a particular project's inclusion on or omission from the project list conflicts with or is inconsistent with federal law or a rule adopted under Subsection (a).

No equivalent provision.

CONFERENCE

- organizations in the development of the criteria for selection of projects.
- (c) The commission shall determine and approve the final selection of projects to be included in the statewide transportation plan.
 - (d) The commission shall consider the prioritized list of transportation projects developed by metropolitan planning organizations operating in areas that are a transportation management area, as defined by 23 U.S.C. Section 134(k), for projects funded as congestion mitigation and air quality improvement projects, and metropolitan mobility or rehabilitation projects, unless the commission determines that a particular project's inclusion on or omission from the project list conflicts with or is inconsistent with federal law or a rule adopted under Subsection (a).
 - (e) The department shall use the planning organizations' project lists to create the statewide transportation program and budget. The statewide transportation program and budget shall include at least:
 - (1) the official cash flow forecast under Section 201.XXX.;
 - and
 - (2) the regions' estimated allocation of funds.

Same as Senate version.

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have a senior position with regard to any future allocated funds of the borrowing planning organization.

(c) The lending planning organization may not charge interest on funds borrowed by another planning organization that exceed the current bond rate of outstanding state highway fund bonds or in the absence of outstanding debt the prevailing market rate for comparable municipal debt. The commission shall notify all districts of that rate.

(d) A lending planning organization may not be penalized in its performance measures if it successfully negotiates a loan with another planning organization.

(e) The commission may be involved in the coordination of a loan of funds under this section.

Sec. 201.667. ORGANIZATION OF STATEWIDE TRANSPORTATION PROGRAM AND BUDGET. (a) The statewide transportation program and budget shall be organized first by region, then by mode of transportation, followed by the year of the project.

(b) The summary tables of the statewide transportation program and budget shall summarize the statewide project cost by mode and then by year and shall be made available online in accordance with Section 201.807.

Sec. 201.668. TRANSPORTATION ALLOCATION FUNDING FORMULA. (a) The commission shall adopt rules that create funding formulas for transportation projects. In developing the formulas the commission shall consider the input of planning organizations, transportation officials, and county and municipal officials.

No equivalent provision.

Sec. 201.988. FUNDING ALLOCATION. (a) The commission by rule shall establish formulas for allocating funds in each category described by Section 201.982(b)(2). (b) The commission shall update the formulas established under this section every five years or more frequently as necessary.

Same as House version.

Same as Senate version (including FUNDING ALLOCATION AND LIMITATION ON COMMISSION ALLOCATION OF FUNDS) as amended and add the following:

Sec. 201.XXX. TRANSPORTATION ALLOCATION FUNDING FORMULA. (a) The commission shall adopt

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(b) All funds received by the department for highways, including toll roads and toll road systems, that may be allocated in this state's or the department's discretion shall be allocated by a formula to each planning organization that is based on performance measures and includes at least the following criteria:

- (1) centerline miles;
- (2) level of congestion;
- (3) percentage of population below federal poverty level;
- (4) population;
- (5) safety; and
- (6) vehicle miles traveled.

(c) The commission shall allocate to the planning organizations funding for the project costs of all transportation projects. The commission shall adopt various formulas for the different types of transportation projects, including funding for statewide connectivity projects. The commission shall adopt rules for all transportation formulas.

SENATE VERSION

Sec. 201.9882. LIMITATION ON COMMISSION ALLOCATION OF FUNDS. (a) The commission or the department may not require that a toll project be included in a regional mobility plan as a condition for the allocation of funds for the construction of projects in the region.

(b) The commission or the department may not:

- (1) revise the formula as provided in the department's project development program, or its successor document, in a manner that results in a decrease of a department district's allocation because of:
 - (A) the failure of a region to include toll projects in a regional mobility plan; or
 - (B) participation by a political subdivision in the funding of a transportation project in the region, including the use of money collected in a transportation reinvestment zone under Sections 222.106 and 222.107; or
- (2) take any other action that would reduce funding allocated to a department district because of the failure of a region to include toll projects in a regional mobility plan.

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rules that create funding formulas for transportation projects. In developing the formulas the commission shall consider the input of planning organizations, transportation officials, and county and municipal officials.

(b) The commission shall allocate to metropolitan planning organizations operating in areas that are a transportation management area, as defined by 23 U.S.C. Section 134(k), the following categories of funds:

- (1) metropolitan area corridor projects;
- (2) metropolitan mobility and rehabilitation projects;
- (3) congestion mitigation and air quality improvement projects in non-attainment areas; and
- (4) a percentage of transportation enhancements project funding as determined by formula for projects recommended by the metropolitan planning organizations under rules adopted by the commission.

(c) The commission shall allocate to metropolitan planning organizations that are not a transportation management area, as defined by 23 U.S.C. Section 134(k), the following categories of funds:

- (1) urban area corridor projects; and
- (2) a percentage of transportation enhancements project funding as determined by formula for projects recommended by the metropolitan planning organizations under rules adopted by the commission.

(d) The funds allocated under Subsections (b) and (c) shall be allocated by a formula to each metropolitan planning organization that takes into consideration performance measures and includes at least the following criteria:

- (1) lane miles;

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Sec. 201.669. USE OF ALLOCATED FUNDS. The funds allocated to a planning organization under Section 201.668 may be used to:
(1) pay project costs, provide toll equity, or make payments under a pass-through toll agreement, for transportation projects selected by the planning organization;
(2) pay debt service;
(3) repay money borrowed from another region; or
(4) fund a planning organization's operations under Section 201.672.

Sec. 201.670. SURPLUS REVENUE AND CONTRACT PAYMENTS NOT ALLOCATED BY FORMULA. (a) Revenue from Sections 228.005, 228.0055, and 228.006 shall be allocated in accordance with Subchapter B, Chapter 228.

Sec. 201.9884. FUND DISTRIBUTION. (a) The department shall allocate funds to the department districts based on the formulas adopted under Section 201.988.
(b) In distributing funds to department districts, the department may not exceed the cash flow forecast prepared and published under Section 201.984(c).

No equivalent provision.

(2) level of congestion;
(3) percentage of population below federal poverty level;
(4) census population;
(5) safety;
(6) total vehicle miles traveled; and
(7) truck vehicle miles traveled.
(e) The commission shall provide funding estimates to the planning organizations for the project costs of all transportation projects. The commission shall adopt appropriate formulas for the different types of transportation projects, including funding for statewide connectivity projects. The commission shall adopt rules for all transportation formulas.

Same as House version as amended as follows:
Sec. 201.669. USE OF ALLOCATED FUNDS. The funds allocated to a planning organization under Section 201.XXX may be used to:
(1) pay project costs, provide toll equity, or make payments under a pass-through toll agreement, for transportation projects selected by the planning organization; or
(2) pay debt service.

Same as House version.

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(b) Funds associated with toll projects under Chapter 228 are not considered revenue allocated by a formula under Section 201.668.

Sec. 201.671. ENCUMBRANCE OF ALLOCATED FUNDS. (a) The allocation of funds shall be encumbered in an amount equal to the engineer's estimate of the project cost and reduced by the actual project cost at the time payments associated with the project are paid.

(b) If a planning organization elects to use bond proceeds to advance a project, the allocation of funds shall be encumbered by the annual cost of debt service and reduced when debt service payments are paid.

Sec. 201.672. USE OF ALLOCATED FUNDS FOR OPERATING COSTS OF PLANNING ORGANIZATION.

(a) A metropolitan planning organization operating in a transportation management area as defined by 23 U.S.C. Section 134(k) may use the allocated funds to pay for the operations costs of the planning organization. The amount that may be allocated to pay for the operations of the planning organization may not exceed the lesser of \$10 million or 10 percent of the planning organization's total funds.

(b) A metropolitan planning organization operating in an area that is not a transportation management area may use the allocated funds to pay for the operations costs of the planning organization. The amount that may be allocated to pay for the operations of the planning organization may not exceed the lesser of \$3 million or 10 percent of the planning

No equivalent provision.

Same as House version.

No equivalent provision.

Same as House version as amended as follows:

Sec. 201.672. USE OF ALLOCATED FUNDS FOR OPERATING COSTS OF PLANNING ORGANIZATION.

(a) A metropolitan planning organization operating in a transportation management area as defined by 23 U.S.C. Section 134(k) may use the allocated funds to pay for the operations costs of the planning organization.

(b) A metropolitan planning organization operating in an area that is not a transportation management area may use the allocated funds to pay for the operations costs of the planning organization.

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organization's total funds.

(c) A rural planning organization may use the allocated funds to pay for the operations costs of the planning organization. The amount that may be allocated to pay for the operations of the planning organization may not exceed the lesser of \$1 million or 10 percent of the planning organization's total allocated funds.

Sec. 201.673. COMMISSION EMERGENCY AND ECONOMIC DEVELOPMENT FUNDS. (a) Notwithstanding Section 201.655(b), the commission may annually set aside an amount of funds not to exceed the lesser of 10 percent of the total funds allocated to all districts or \$250 million for the purpose of addressing emergencies or economic development opportunities that require transportation infrastructure. The funds may be carried forward from year to year but may not accumulate to more than \$1 billion.

(b) If the commission elects to set aside an amount of funds under Subsection (a), the total amount of funds available for allocation shall be reduced by the amount set aside before the allocation of funds by the formula.

(c) The funds shall be encumbered in an amount equal to the engineer's estimate of the project cost and reduced by the actual project cost at the time payments associated with the project are paid.

(d) The commission may use funds set aside under this section for emergency and economic development opportunities that require transportation infrastructure in the same manner a planning organization may use money

No equivalent provision.

Same as Senate version.

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allocated under Section 201.669.

(e) If the commission elects to use bond proceeds to advance a project, the funds shall be encumbered by the annual cost of debt service and reduced when debt service payments are paid.

(f) The funds set aside under Subsection (a) may be used to pay cost overruns and change orders only for projects selected by the commission under this section.

(g) The commission may use the funds set aside under Subsection (a) to make payments for projects funded in accordance with Section 222.104 or to provide toll equity only if the commission selects the projects using a competitive project selection process.

Sec. 201.674. DEPARTMENT 10-YEAR BUSINESS WORK PLAN. On completion of the 10-year transportation plan in Section 201.656, the department shall use the prioritized lists of projects to develop a proposed 10-year business work plan. The work plan shall be adopted not later than August 31 of each even-numbered year and include:

(1) a list of projects for which planning, permitting, design, right-of-way acquisition, or construction work will be conducted during the period;

(2) the state fiscal quarter in which key milestones for each project will be reached, including environmental clearance, completion of final engineering plans, completion of right-of-way acquisition, letting to contract, and completion of construction; and

(3) the funding allocated or estimated in each state fiscal year for each category of work for each project.

Sec. 201.982. PROJECT DEVELOPMENT PROGRAM. (a) The department shall develop a project development program that covers a period of 10 years to guide the development of and authorize construction of transportation projects. The program must:

(1) estimate funding levels for each year; and

(2) list all projects and programs that the department intends to develop or begin construction of during the program period.

(b) The commission by rule shall:

(1) specify the criteria for selecting projects to be included in the program as provided in Section 201.987;

(2) define program funding categories, including categories for safety, bridge, maintenance, and mobility; and

(3) define each phase of a major transportation project, including the planning, design, and construction phases.

(c) The department shall publish the entire project

Same as Senate version, but replace the name Project Development Program, with Unified Transportation Program. Also, the Senate Version changed references throughout the statute to the Unified Transportation Program that do not need to be changed now. Below are the references to those which can be removed from the bill.

(Senate Floor Amendment #2 by Hegar)

Amend C.S.H.B. No. 300 (Senate committee printing) as follows:

(1) In ARTICLE 2 of the bill, add the following SECTIONS, appropriately numbered, and renumber existing SECTIONS of that article accordingly:

SECTION 2.__. Section 201.710(c), Transportation Code, is amended to read as follows:

(c) The department shall include projects related to ports of entry in its project development program, or its successor

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Sec. 201.675. WORK PROGRAM. (a) Each department district shall develop a consistently formatted work program based on the department 10-year business work plan covering a period of four years that contains all projects that the district proposes to implement during that period.
(b) The department shall use the work program to:
(1) monitor the performance of the district; and
(2) evaluate the performance of district employees.
(c) The department shall publish the work program in appropriate media and on the department's Internet website.

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development program and summary documents highlighting project benchmarks, priorities, and forecasts in appropriate media and on the department's Internet website.
(d) In developing the rules required by this section, the commission shall cooperate with local transportation entities.

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document [unified transportation program or any successor to that program].
SECTION 2.__. Section 227.034(a), Transportation Code, is amended to read as follows:
(a) A contract for the acquisition, construction, maintenance, or operation of a facility on the Trans-Texas Corridor may not contain a provision that limits or prohibits construction or operation of a highway or other transportation project that is:
(1) included in the project development program, or its successor document, [unified transportation program] of the department in effect at the time the contract is executed;
(2) a project of a local government; or
(3) constructed or operated for the safety of pedestrian or vehicular traffic.
SECTION 2.__. Section 228.0055(c), Transportation Code, is amended to read as follows:
(c) The commission or the department may not:
(1) revise the formula as provided in the department's project development [unified transportation] program, or its successor document, in a manner that results in a decrease of a department district's allocation because of a payment under Subsection (a); or
(2) take any other action that would reduce funding allocated to a department district because of payments received under a comprehensive development agreement.
SECTION 2.__. Section 228.006(b), Transportation Code, is amended to read as follows:
(b) The commission may not revise the formula as provided in the department's project development [unified transportation] program, or its successor document, in a

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manner that results in a decrease of a district's allocation because of a payment under Subsection (a).

SECTION 2.__. Section 228.117, Transportation Code, is amended to read as follows:

Sec. 228.117. FUNDING FOR DEPARTMENT DISTRICT. The commission may not revise the formula as provided in the department's project development [unified transportation] program, or its successor document, in a manner that results in a decrease of a district's allocation because revenue bonds are issued for a toll project located within the department district.

SECTION 2.__. Section 362.902, Transportation Code, is amended to read as follows:

Sec. 362.902. INCLUSION OF TOLL PROJECTS IN PROJECT DEVELOPMENT [UNIFIED TRANSPORTATION] PROGRAM. The department shall adopt and include in the project development [unified transportation] program, or its successor document, of the department a list of transportation projects in each department district that the department considers to be eligible and feasible for tolling. A transportation project that is included in the list is not required to be operated as a toll project.

SECTION 2.__. Section 366.407(c), Transportation Code, is amended to read as follows:

(c) An authority may enter into a comprehensive development agreement under this subchapter with a private participant only if the project is identified in the department's project development [unified transportation] program, or its successor document, or is located on a transportation corridor identified in the statewide transportation plan.

(2) In SECTION 19.04 of the bill, amended Section

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No equivalent provision.

Sec. 201.676. STATEWIDE CONNECTIVITY PLAN AND PROJECTS. (a) The department shall work with planning

Sec. 201.9825. ANNUAL UPDATE TO PROJECT DEVELOPMENT PROGRAM. (a) The department shall annually update the project development program.
(b) The annual update must include:
(1) the annual funding forecast required by Section 201.984;
(2) the list of major transportation projects required by Section 201.985(b); and
(3) the projects included in each program priority classification established by Section 201.986.
(c) The department shall collaborate with local transportation entities to develop the annual update to the project development program.

No equivalent provision.

201.616(a), Transportation Code (page 83, line 2), strike "unified transportation program" and substitute "project development program, or its successor document, [unified transportation program]".

(3) In SECTION 19.09 of the bill, amended Section 223.208(c), Transportation Code (page 84, line 3), strike "unified transportation program" and substitute "project development program, or its successor document, [unified transportation program]".

(4) In SECTION 31.02 of the bill, amended Section 228.012(d), Transportation Code (page 114, line 5), strike "unified transportation program" and substitute "project development [unified transportation]".

Same as Senate version, but replace the name Project Development Program, with Unified Transportation Program.

Same as House version.

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organizations to develop a statewide connectivity plan.

(b) The department by rule shall:

(1) establish criteria for designating a project as a statewide connectivity project; and

(2) develop benchmarks for evaluating the progress of a statewide connectivity project and timelines for implementation and construction of a statewide connectivity project.

(c) The department annually shall update the list of projects that are designated as statewide connectivity projects.

(d) The commission shall adopt the statewide connectivity plan.

Sec. 201.677. PAVEMENT MANAGEMENT INFORMATION SYSTEM. (a) The department shall measure the condition of the pavement for each highway under the jurisdiction of the department.

(b) The department shall establish a system that makes the information collected under Subsection (a) available to the planning organizations for use in determining transportation projects.

Sec. 201.678. FINALIZED BIENNIAL PROJECT PLAN. In addition to the plan required by Section 201.674 and other provisions of this chapter, not later than August 31 of each odd-numbered year, the department shall finalize a project plan for the period that begins on September 1 of that year and ends on August 31 of the following odd-numbered year. The plan must include:

(1) a project schedule with funding for each phase of each

No equivalent provision.

Sec. 201.989. DEPARTMENT FOUR-YEAR BUSINESS WORK PLAN. (a) Each department district shall develop a consistently formatted work plan for the following four years that is based on the project development program and contains all projects and project categories that the district plans to implement during that period.

(b) The work plan must contain for each project and project category:

Same as Senate version.

Same as Senate version as amended as follows:

Sec. 201.989. DEPARTMENT FOUR-YEAR BUSINESS WORK PLAN. (a) Each department district shall develop a consistently formatted work plan for the following four years that is based on the project development program and contains all projects and project categories that the district plans to implement during that period. Not later than August 31 of each odd-numbered year, the department shall finalize a

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project;
(2) a consultant acquisition plan with a schedule for contract selections;
(3) a right-of-way acquisition plan; and
(4) a letting plan.

Sec. 201.679. PERFORMANCE MEASURES FOR BIENNIAL PROJECT PLAN. (a) The department shall develop a set of performance measures for the plan under Section 201.678 intended to measure:
(1) the execution of the work program;
(2) the efficiency and cost-effectiveness of its business practices;
(3) the preservation of the system investment;
(4) the addition of new capacity to the system;
(5) safety initiatives; and
(6) utilization of minority, disadvantaged, and small businesses.

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(1) a project schedule with funding for each phase of development;
(2) a right-of-way acquisition plan;
(3) a letting plan; and
(4) a summary of the progress on the project and project category.
(c) The department shall use the work plan to:
(1) monitor the performance of the district; and
(2) evaluate the performance of district employees.
(d) The department shall consolidate the districts' work plans into a statewide work plan and publish it in appropriate media and on the department's Internet website.

Sec. 201.9892. PERFORMANCE MEASURES FOR WORK PLAN. (a) The department shall develop a set of performance measures for the plan under Section 201.989 intended to measure:
(1) the execution of the work program;
(2) the efficiency and cost-effectiveness of its business practices;
(3) the preservation of the system investment;
(4) the addition of new capacity to the system;
(5) safety initiatives; and
(6) use of minority, disadvantaged, and small businesses.
(b) At a minimum, the performance measures adopted under

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project plan for the period that begins on September 1 of that year and ends on August 31 of the following odd-numbered year.
(b) The work plan must contain for each project and project category:
(1) a project schedule with funding for each phase of development;
(2) a right-of-way acquisition plan;
(3) a letting plan; and
(4) a summary of the progress on the project and project category.
(c) The department shall use the work plan to:
(1) monitor the performance of the district; and
(2) evaluate the performance of district employees.
(d) The department shall consolidate the districts' work plans into a statewide work plan and publish it in appropriate media and on the department's Internet website.

Same as the Senate version as amended as follows:
Sec. 201.9892. PERFORMANCE MEASURES FOR WORK PLAN. (a) The department shall develop a set of performance measures for the plan under Section 201.989 intended to measure:
(1) the execution of the work program;
(2) the preservation of the system investment;
(3) the addition of new capacity to the system;
(4) safety initiatives; and
(5) use of minority, disadvantaged, and small businesses.
(b) At a minimum, the performance measures adopted under Subsection (a) must include:

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(b) At a minimum, the performance measures adopted under Subsection (a) must include:

- (1) the percentage of projects for which environmental clearance is obtained on or before the planned date;
- (2) the number of engineering contracts or work orders executed in contrast with the number planned;
- (3) the average time between selection and execution of a contract for engineering services;
- (4) the number of right-of-way parcels acquired and the number scheduled to be acquired;
- (5) the percentage of projects for which right-of-way acquisition is completed on or before the planned date;
- (6) the percentage of parcels acquired through negotiation;
- (7) the percentage of negotiated parcels acquired for an amount that does not exceed 120 percent of the initial department offer;
- (8) the total amount spent for right-of-way as a percentage of the original estimated amount;
- (9) the number of construction contracts entered into in contrast with the number planned;
- (10) the percentage of construction contracts executed on or before the planned letting date;
- (11) the total amount spent for construction contracts as a percentage of the original estimated amount;
- (12) for all construction contracts completed during the state fiscal year, the percentage completed within 20 percent of the original contract time;
- (13) for all construction contracts completed during the state fiscal year, the percentage completed within 10 percent of the original contract price;

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Subsection (a) must include:

- (1) the percentage of projects for which environmental clearance is obtained on or before the planned implementation timelines;
- (2) the percentage of projects for which right-of-way acquisition is completed on or before the planned implementation timelines;
- (3) the total amount spent for right-of-way as a percentage of the original estimated amount;
- (4) the percentage of highway improvement contracts executed on or before the planned implementation timelines for letting;
- (5) for all highway improvement contracts completed during the state fiscal year, the percentage completed within 20 percent of the original contract time;
- (6) for all highway improvement contracts completed during the state fiscal year, the percentage completed within 10 percent of the original contract price;
- (7) for all highway improvement contracts completed during the state fiscal year, the percentage of the total contract adjustments as a percentage of the total original contract price;
- (8) of the federal funds subject to forfeiture at the end of the state fiscal year, the percentage that was committed by the department;
- (9) the amounts of cash receipts and disbursements in contrast with the forecasted amounts;
- (10) the amount obligated to be spent in connection with contracts or participation in contracts with minority, disadvantaged, and small business enterprises as a percentage

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- (1) the peak hour travel congestion in the eight largest metropolitan areas in contrast with previous state fiscal years;
- (2) the percentage of projects for which environmental clearance is obtained on or before the planned implementation timelines;
- (3) the percentage of projects for which right-of-way acquisition is completed on or before the planned implementation timelines;
- (4) the percentage of parcels acquired through negotiation;
- (5) the average time between selection and execution of a contract for engineering services;
- (6) the total amount spent for right-of-way as a percentage of the original estimated amount;
- (7) the percentage of highway improvement contracts executed on or before the planned implementation timelines for letting;
- (8) the percentage of construction contracts executed on or before the planned letting date;
- (9) the total amount spent for construction contracts as a percentage of the final design estimated amount;
- (10) for all highway improvement contracts completed during the state fiscal year, the percentage completed within 20 percent of the original contract time;
- (11) construction contract adjustments as a percentage of original contract price;
- (12) for all highway improvement contracts completed during the state fiscal year, the percentage completed within 10 percent of the original contract price;
- (13) for all highway improvement contracts completed during the state fiscal year, the percentage of the total contract

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- (14) construction contract adjustments as a percentage of original contract price;
- (15) the percentage of bridge structures on the state highway system that have a rating of good or excellent;
- (16) the percentage of bridge structures on the state highway system that have a posted weight limitation;
- (17) the number of bridge repair contracts let in contrast with the number planned;
- (18) the number of bridge replacement contracts let in contrast with the number planned;
- (19) the percentage of lane miles on the state highway system that have a pavement condition rating of excellent or good;
- (20) the number of lane miles on the state highway system that were resurfaced in contrast with the number planned;
- (21) the number of lane miles of capacity improvement projects let in contrast with the number planned;
- (22) of the federal funds subject to forfeiture at the end of the state fiscal year, the percentage that was committed by the department;
- (23) the amounts of cash receipts and disbursements in contrast with the forecasted amounts;
- (24) the amount spent in connection with contracts with minority business enterprises as a percentage of the amount spent on all contracts;
- (25) the number of construction contracts let in contrast with the number let in previous state fiscal years;
- (26) the peak hour travel congestion in the seven largest metropolitan areas in contrast with previous state fiscal years;
- (27) the number of vehicle miles traveled in contrast with previous state fiscal years; and

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- of the amount spent on all contracts;
- (11) the peak hour travel congestion in the eight largest metropolitan areas in contrast with previous state fiscal years;
- and
- (12) the number of vehicle miles traveled in contrast with previous state fiscal years.
- (c) The department shall consult with the Transportation Legislative Oversight Committee in developing the performance measures under Subsection (a). This subsection expires August 31, 2013.

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- adjustments as a percentage of the total original contract price;
- (14) of the federal funds subject to forfeiture at the end of the state fiscal year, the percentage that was committed by the department;
- (15) the amounts of cash receipts and disbursements in contrast with the forecasted amounts;
- (16) the amount obligated to be spent in connection with contracts or participation in contracts with minority, disadvantaged, and small business enterprises as a percentage of the amount spent on all contracts;
- (17) the percentage of lane miles on the state highway system that have a pavement condition rating of excellent or good;
- (18) the number of lane miles on the state highway system that were resurfaced in contrast with the number planned; and
- (19) the number of vehicle miles traveled in contrast with previous state fiscal years.
- (c) The department shall consult with the Transportation Legislative Oversight Committee in developing the performance measures under Subsection (a). This subsection expires August 31, 2013.

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(28) the number of lane miles added as a percentage of the number of previously existing lane miles.

(c) The department shall consult with the Transportation Legislative Oversight Committee in developing the performance measures under Chapter 205. This subsection expires August 31, 2013.

Sec. 201.680. PERFORMANCE REVIEW. Not later than December 1 of each odd-numbered year, the commission shall review the performance of the department's duties under Section 201.678 and make the review available to the public. The review must include a report on the level of achievement of each performance measure listed in Section 201.679(a), statewide and by department district, and a status report on each major project under development.

No equivalent provision.

No equivalent provision.

Sec. 201.9895. PERFORMANCE REVIEW. Not later than December 1 of each odd-numbered year, the commission shall review the performance of the department's activities described in Section 201.989 and make the review available to the public. The review must include a report on the level of achievement of each performance measure listed in Section 201.9892(a), statewide and by department district, and a status report on each major transportation project under development.

SECTION ____. Sections 201.710(c), 227.034(a), 228.0055(c), 228.006(b), 228.117, 362.902, and 366.407(c), Transportation Code, are amended to replace references to the Unified Transportation Program with Project Development Program or its successor document. (Floor Amendment 2, Item 1, by Hegar)

SECTION 2.04. Sec. 201.617(a), Transportation Code is amended to authorize TxDOT to transfer any interest in certain real property to an appropriate public agency or

Same as Senate version

Same as House version.

Do not include. SB 448 passed separately with same provision.

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SECTION 2.03. Subchapter J, Chapter 201, Transportation Code, is amended by adding Sections 201.807, 201.808, and 201.809 to read as follows:

Sec. 201.807. PROJECT INFORMATION REPORTING SYSTEM. (a) The department shall establish a project information reporting system that makes available in a central location on the department's Internet website easily accessible and searchable information to enable the tracking of project development and the expenditure of funds in the department's statewide transportation program and budget. The project information reporting system shall contain information about:

- (1) each project, including:
 - (A) the status of the project;
 - (B) each source of funding for the project;
 - (C) benchmarks for evaluating the progress of the project;
 - (D) timelines for completing the project;
 - (E) a list of the department employees responsible for the project, including information to contact each person on that list; and
 - (F) the results of the annual review required under Subsection (e);
- (2) each construction work zone for a project that has a construction phase timeline that exceeds one month or the cost of which exceeds \$5 million, including information about:
 - (A) the number of lanes that will remain open during the

private entity, as authorized by the regulatory authority that requires the mitigation, with or without monetary consideration if the property is to be used for mitigation purposes.

SECTION 2.06. (a) Subchapter J, Chapter 201, Transportation Code, is amended by adding Sections 201.8005, 201.807, 201.808, 201.809, 201.810, and 201.811 to read as follows:

Sec. 201.8005. DEFINITION. In this subchapter, "transportation project" has the meaning assigned by Section 201.981.

Sec. 201.807. PROJECT INFORMATION REPORTING SYSTEM. (a) The department shall establish a project information reporting system that makes available in a central location on the department's Internet website information regarding all of the department's transportation projects contained in the project development program required by Section 201.982 or under construction. The information must be easily accessible, understandable, and searchable. The project information reporting system must contain:

- (1) information about each of the department's transportation projects included in the project development program, including:
 - (A) the status of the project;
 - (B) each source of funding for the project;
 - (C) benchmarks for evaluating the progress of the project;
 - (D) timelines for completing the project;
 - (E) a list of the department employees responsible for the project, including information as to how each person on that

Same as Senate version, except changes the name of the project information reporting system to the transportation project and reporting system.

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project's construction phase;
(B) the location and duration of each lane closure; and
(C) the expected traffic delay resulting from each lane closure;
(3) road maintenance projects, including:
(A) the criteria for designating a project as a road maintenance project; and
(B) the condition of each road before the road maintenance project; and
(4) the department's funds, including each source for the department's funds and each expenditure made by the department reported by each:
(A) department district;
(B) program funding category; and
(C) type of revenue, including revenue from a comprehensive development agreement or a toll project.
(b) The department shall develop an interactive web-based system for the tracking of planning organization allocations and projects under Subchapter H-1. The planning organizations shall be granted access to the system through a secure site to input information regarding projects and the associated project costs. The system shall provide the planning organization information regarding the organization's allocation of funding for the region and the federal and state requirements for each source of funding.
(c) In developing the project information reporting system, the department shall collaborate with:
(1) the legislature;
(2) planning organizations, as defined by Section 201.651; and

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list may be contacted; and
(F) the results of the annual review required by Subsection (d);
(2) a representational color-coded map showing the location of the transportation projects and containing the information described by Subdivision (1);
(3) each construction work zone for a transportation project under construction that has a total construction timeline that exceeds six months or the cost of which exceeds \$5 million, including information about:
(A) the number of lanes that will remain open during the project's construction phase;
(B) the location and duration of each lane closure; and
(C) the expected traffic delay resulting from each lane closure;
(4) road maintenance transportation projects that are planned or under construction, including the condition of each road before the road maintenance transportation project; and
(5) each fund source for the department's funds and all expenditures made by the department, for each of the department's transportation projects, reported by:
(A) department district;
(B) program funding category as required by Section 201.982(b)(2); and
(C) type of revenue, including revenue from a comprehensive development agreement or a toll project.
(b) In developing the project information reporting system, the department shall collaborate with:
(1) the Transportation Legislative Oversight Committee;
(2) local transportation entities as defined by Section

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(3) members of the public.

(d) The department shall make the statistical information provided under this section available on the department's Internet website in more than one downloadable electronic format.

(e) As a component of the project information reporting system required by this section, the department shall conduct an annual review of the benchmarks and timelines of each project included in the department's statewide transportation program and budget to determine the completion rates of the projects and whether the projects were completed on time.

(f) The department shall continuously update the information contained in the project information reporting system.

Sec. 201.808. TRANSPORTATION EXPENDITURE PRIORITIES. (a) The department shall develop a process to identify and distinguish between the transportation projects that are required to maintain the state infrastructure and the transportation projects that would improve the state infrastructure.

(b) The department shall establish a transportation expenditure reporting system that makes available in a central location on the department's Internet website easily accessible and searchable information regarding the priorities of transportation expenditures for the identified transportation projects.

(c) The department shall include in the transportation expenditure reporting system:

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201.981; and

(3) members of the general public.

(c) The department shall make the statistical information provided under this section available on the department's Internet website in more than one downloadable electronic format.

(d) As a component of the project information reporting system required by this section, the department shall conduct an annual review of the benchmarks and timelines of each transportation project included in the department's project development program, to determine the completion rates of the projects and whether the projects were completed on time.

(e) The department shall update the information contained in the project information reporting system at least quarterly and the representational map at least annually.

Sec. 201.808. TRANSPORTATION PROJECT AND PERFORMANCE REPORTS. (a) The department shall develop a process to identify and distinguish between the transportation projects that are required to maintain the state infrastructure and the transportation projects that would improve the state infrastructure in a manner consistent with the statewide transportation plan required by Section 201.601. (b) The department shall establish a transportation project and performance reporting system that makes available in a central location on the department's Internet website easily accessible and searchable information regarding the priority classifications established under Section 201.986 and the assignment of the identified transportation projects in the classifications.

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Same as Senate version, except deletes (b).

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- (1) reports prepared by the department or an institution of higher education that evaluate the effectiveness of the department's expenditures on transportation projects;
- (2) information about the condition of the pavement for each highway under the jurisdiction of the department, including:
 - (A) the international roughness index issued by the United States Department of Transportation Federal Highway Administration; and
 - (B) the percentage of pavement that the department determines to be in good or better condition;
- (3) the condition of bridges, including information about:
 - (A) bridges that are structurally deficient or functionally obsolete; and
 - (B) bridge deterioration scores;
- (4) information about traffic congestion and traffic delays, including:
 - (A) the locations of the worst traffic delays;
 - (B) the variable travel time for major streets and highways in this state; and
 - (C) the effect of traffic congestion on motor vehicle travel and motor carriers; and
- (5) information about the number of traffic accidents, injuries, and fatalities, including a list of the locations in each department district for the highest number of traffic accidents, injuries, or fatalities.
- (d) The department shall provide the information made available under Subsection (c) in a format that allows a person to conduct electronic searches for information regarding a specific county, highway under the jurisdiction of the department, or class of road.

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- (c) The department shall include in the transportation project and performance reporting system:
 - (1) a list of the most significant transportation problems in each department district as described by the statewide transportation plan developed under Section 201.601, including the component required by Section 201.601(c);
 - (2) reports prepared by the department or an institution of higher education that evaluate the effectiveness of the department's expenditures on transportation projects to achieve the transportation goals;
 - (3) information about the condition of the pavement for each segment of the state highway system, including:
 - (A) the international roughness index issued by the United States Department of Transportation Federal Highway Administration; and
 - (B) the percentage of pavement that the department determines to be in good or better condition;
 - (4) the condition of bridges, including information about:
 - (A) the number of on-system and off-system bridges that are structurally deficient or functionally obsolete; and
 - (B) the percentage of bridges that the department determines to be in good or better condition;
 - (5) information about traffic congestion and traffic delays, including:
 - (A) the locations of the worst metropolitan traffic delays;
 - (B) the variable travel time for major freeways and highways in the metropolitan areas of this state; and
 - (C) the effect of traffic congestion on motor vehicle travel and motor carriers; and
 - (6) information about the number of traffic accidents,

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(e) Each department district or planning organization, as that term is defined by Section 201.651, shall enter information into the transportation expenditure reporting system, including information about each project and the priority of each project.

(f) The transportation expenditure reporting system shall allow a person to compare information produced by that system to information produced by the project information reporting system.

Sec. 201.809. DEPARTMENT INFORMATION CONSOLIDATION. To the extent practicable and to avoid duplication of reporting requirements, the department may combine the reports required under this subchapter with reports required under other provisions of this code.

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injuries, and fatalities, including the geographic locations in each department district for the highest number of traffic accidents, injuries, or fatalities.

(d) The department shall provide the information made available under Subsection (c) in a format that allows a person to conduct electronic searches for information about a specific county, a highway under the jurisdiction of the department, or a type of road.

(e) Each department district shall enter information into the transportation project and performance reporting system, including information about:

(1) each district transportation project; and
(2) the priority classification to which the project has been assigned according to Section 201.986.

(f) The transportation project and performance reporting system must allow a person to compare information produced by that system to information produced by the project information reporting system under Section 201.807.

Sec. 201.811. DEPARTMENT INFORMATION CONSOLIDATION. (a) To the extent practicable and to avoid duplication of reporting requirements, the department may combine the reports required under this subchapter with reports required under other provisions of this code.
(b) The department shall develop a central location on the department's Internet website that provides easily accessible and searchable information to the public contained in the reports required under this subchapter and other provisions of this code.

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No equivalent provision.

Sec. 201.808. TRANSPORTATION PROJECT AND PERFORMANCE REPORTS. (g) The transportation project and performance reporting system established under Subsection (b) must include:
(1) information relating to each source of the department's funds, including the identification of revenue from each comprehensive development agreement or toll project; and
(2) information relating to all expenditures of the department by type of expenditure, as described in the comptroller's statewide accounting system, and reported for all applicable organizational groups and categories, including:
(A) the entire department;
(B) each department division;
(C) each department district; and
(D) each program funding category for project expenses.

Same as Senate version.

No equivalent provision.

Sec. 201.809. STATEWIDE TRANSPORTATION REPORT. (a) The department annually shall evaluate and publish a report about the status of each transportation goal for this state. The report must include:
(1) information about the progress of each long-term transportation goal that is identified by the statewide transportation plan;
(2) the status of each project identified as a major project under Section 201.985;
(3) a summary of the number of statewide project implementation benchmarks that have been completed; and
(4) information about the accuracy of previous department financial forecasts.
(b) The department shall disaggregate the project information

Same as Senate version, except modified Item 2 as follows:

2) the status of each project ~~[identified as a major project under Section 201.985];~~

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in the report by department district.

(c) The department shall make available a copy of the reports for department districts in a legislative district to each member of the legislature, and at the request of a member, a senior management employee shall meet with the member to explain the report.

(d) The department shall provide a copy of each district report to the political subdivisions located in the department district that is the subject of the report, including:

(1) a municipality;

(2) a county; and

(3) a local transportation entity as defined by Section 201.981.

(e) The department shall provide a copy of the complete report to the lieutenant governor, the speaker of the house of representatives, and the chair of the standing committee of each house of the legislature with primary jurisdiction over transportation issues.

No equivalent provision.

Sec. 201.810. SEPARATE SUBACCOUNT REPORTING.

(a) The department shall develop an account information reporting system that makes available on the department's Internet website for viewing and downloading by interested persons the tracking of each separate subaccount in the state highway fund required by law, including Chapter 228. The account information must include:

(1) the source and amount of the deposited funds and the date of deposit;

(2) identification by location and highway designation of the projects or systems to which the funds are allocated; and

Same as Senate version.

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(3) the amount, general type or purpose, and date of expenditures from the account.

(b) The department shall update the account information reporting system at least quarterly.

(b) Not later than September 1, 2009, the Texas Department of Transportation shall establish the central location on the department's Internet website required by Sections 201.807 and 201.808, Transportation Code, as added by this section.

SECTION 2.04. Section 222.034, Transportation Code, is amended to require the Transportation Commission to consider emergency evacuation routes from nuclear power plants for funding if federal funds become available for emergency evacuation routes. *(House Second Reading Amendment 95 by Sid Miller, and amendment-to-the-amendment 96)*

No equivalent provision.

Same as Senate version.

SECTION 2.05. Section 222.034(b), Transportation Code, is amended to require the Transportation Commission, if it intends to vary from the established distribution procedure for federal funds, to allocate the funding in accordance with a transportation allocation funding formula adopted under the bill's provisions.

No equivalent provision.

Same as House version.

No equivalent provision.

SECTION 2.09. (a) The Texas Transportation Commission shall adopt the rules required by this article as soon as

Same as Senate version.

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SECTION 2.06. Section 222.103, Transportation Code, is amended by adding new subsection (i) to read as follows:

(i) In providing financial assistance for toll projects, the commission shall give priority to providing financial assistance to public entities in the development, financing, construction and operation of toll projects by the public entity under Section 228.011, Section 228.0111 or Chapter 373.

SECTION 2.07. Section 222.105, Transportation Code, is amended to read as follows:

Sec. 222.105. PURPOSES. The purposes of Sections 222.106 and 222.107 are to:

- (1) promote public safety;
- (2) facilitate the improvement, development, or redevelopment of property;
- (3) facilitate the movement of traffic; and
- (4) enhance a local entity's ability to sponsor a transportation project authorized under Section 222.104.

practicable but not later than March 1, 2010.

(b) Each planning organization, as defined by Section 201.981, Transportation Code, as added by this article, shall develop its first 10-year transportation plan in accordance with Section 201.983, Transportation Code, as added by this article, not later than March 1, 2011.

(c) The Texas Department of Transportation shall develop the programs and plans required under Subchapter P, Chapter 201, Transportation Code, as added by this article, as soon as practicable but not later than December 1, 2010.

No equivalent provision.

Same as House version.

SECTION 25.01. Section 222.105, Transportation Code, is amended to read as follows:

Sec. 222.105. PURPOSES. The purposes of Sections 222.106 and 222.107 are to:

- (1) promote public safety;
- (2) facilitate the improvement, development, or redevelopment of property;
- (3) facilitate the movement of traffic; ~~and~~
- (4) enhance a local entity's ability to sponsor a transportation project authorized under Section 222.104; and
- (5) enhance a municipality's ability to provide for freight or

Same as Senate version.

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SECTION 2.08. Section 222.106, Transportation Code, is amended by amending Subsections (b), (c), (g), (h), (i), (j), (k), and (l) and adding Subsections (i-1) and (i-2) to read as follows:

(b) This section applies only to a municipality in which a transportation project is to be developed [~~the governing body of which intends to enter into an agreement with the department~~] under Section 222.104.

(c) If the governing body determines an area to be unproductive and underdeveloped and that action under this section will further the purposes stated in Section 222.105, the governing body of the municipality by ordinance may designate a contiguous geographic area in the jurisdiction of the municipality to be a transportation reinvestment zone to promote a transportation project [~~described by Section 222.104 that cultivates development or redevelopment of the area~~].

(g) The ordinance designating an area as a transportation reinvestment zone must:

- (1) describe the boundaries of the zone with sufficient definiteness to identify with ordinary and reasonable certainty the territory included in the zone;
- (2) provide that the zone takes effect immediately on passage of the ordinance;
- (3) assign a name to the zone for identification, with the first zone designated by a municipality designated as "Transportation Reinvestment Zone Number One, (City or Town, as applicable) of (name of municipality)," and

passenger rail facilities or systems.

SECTION 25.02. Section 222.106, Transportation Code, is amended by amending Subsections (b), (c), (g), (h), (i), (j), (k), and (l) and adding Subsections (i-1), (i-2), (l-1), and (m) to read as follows:

(b) This section applies only to a municipality in which a transportation project is to be developed or the governing body of which intends to acquire, construct, improve, or operate a freight or passenger rail facility or system, including commuter rail, intercity rail, high-speed rail, and tri-track [~~enter into an agreement with the department~~] under Section 222.104.

(c) If the governing body determines an area to be unproductive and underdeveloped and that action under this section will further the purposes stated in Section 222.105, the governing body of the municipality by ordinance may designate a contiguous geographic area in the jurisdiction of the municipality to be a transportation reinvestment zone to promote:

- (1) a transportation project; or
- (2) the acquisition, construction, improvement, or operation of a freight or passenger rail facility or system by the municipality [~~described by Section 222.104 that cultivates development or redevelopment of the area~~].

(g) The ordinance designating an area as a transportation reinvestment zone must:

- (1) describe the boundaries of the zone with sufficient definiteness to identify with ordinary and reasonable certainty the territory included in the zone;

Same as Senate version as amended as follows:

SECTION 25.02. Section 222.106, Transportation Code, is amended by amending Subsections (b), (c), (g), (h), (i), (j), (k), and (l) and adding Subsections (i-1), (i-2), (l-1), and (m) to read as follows:

(b) This section applies only to a municipality in which a transportation project is to be developed or the governing body of which intends to acquire, construct, improve, or operate a freight or passenger rail facility or system, including commuter rail, intercity rail, high-speed rail, and tri-track [~~enter into an agreement with the department~~] under Section 222.104.

(c) If the governing body determines an area to be unproductive and underdeveloped and that action under this section will further the purposes stated in Section 222.105, the governing body of the municipality by ordinance may designate a contiguous geographic area in the jurisdiction of the municipality to be a transportation reinvestment zone to promote:

- (1) a transportation project; or
- (2) the acquisition, construction, improvement, or operation of a freight or passenger rail facility or system by the municipality [~~described by Section 222.104 that cultivates development or redevelopment of the area~~].

(g) The ordinance designating an area as a transportation reinvestment zone must:

- (1) describe the boundaries of the zone with sufficient definiteness to identify with ordinary and reasonable certainty

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subsequently designated zones assigned names in the same form, numbered consecutively in the order of their designation;

(4) designate the base year for purposes of establishing the tax increment base of the municipality;

(5) establish an ad valorem tax increment account for the zone; and

(6) ~~[(5)]~~ contain findings that promotion of the transportation project will cultivate the improvement, development, or redevelopment of the zone.

(h) From taxes collected on property in a zone, the municipality shall pay into the tax increment account for the zone ~~[an amount equal to]~~ the tax increment produced by the municipality, less any amount allocated under previous agreements, including agreements under Chapter 380, Local Government Code, or Chapter 311, Tax Code.

(i) All or the portion specified by the municipality of the money deposited to a tax increment account must be used to fund the transportation project for which the zone was designated, as well as aesthetic improvements within the zone.

Any remaining money deposited to the tax increment account may be used for other purposes as determined by the municipality ~~[Money deposited to a tax increment account must be used to fund projects authorized under Section 222.104, including the repayment of amounts owed under an agreement entered into under that section].~~

(i-1) The governing body of a municipality may contract with a public or private entity to develop, redevelop, or improve a transportation project in a transportation reinvestment zone and may pledge and assign all or a specified amount of money

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(2) provide that the zone takes effect immediately on passage of the ordinance;

(3) assign a name to the zone for identification, with the first zone designated by a municipality designated as "Transportation Reinvestment Zone Number One, (City or Town, as applicable) of (name of municipality)," and subsequently designated zones assigned names in the same form, numbered consecutively in the order of their designation;

(4) designate the base year for purposes of establishing the tax increment base of the municipality;

(5) establish an ad valorem tax increment account for the zone; ~~[and]~~

(6) ~~[(5)]~~ contain findings that promotion of the transportation project will cultivate the improvement, development, or redevelopment of the zone; and

(7) for a zone intended to promote the acquisition, construction, improvement, or operation of a freight or rail facility or system, provide for a date for termination of the zone.

(h) From taxes collected on property in a zone, the municipality shall pay into the tax increment account for the zone ~~[an amount equal to]~~ the tax increment produced by the municipality, less any amount allocated under previous agreements, including agreements under Chapter 380, Local Government Code, or Chapter 311, Tax Code.

(i) All or the portion specified by the municipality of the money deposited to a tax increment account must be used to fund the transportation project for which the zone was designated or, as applicable, the acquisition, construction,

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the territory included in the zone;

(2) provide that the zone takes effect immediately on passage of the ordinance;

(3) assign a name to the zone for identification, with the first zone designated by a municipality designated as "Transportation Reinvestment Zone Number One, (City or Town, as applicable) of (name of municipality)," and subsequently designated zones assigned names in the same form, numbered consecutively in the order of their designation;

(4) designate the base year for purposes of establishing the tax increment base of the municipality;

(5) establish an ad valorem tax increment account for the zone; ~~[and]~~

(6) ~~[(5)]~~ contain findings that promotion of the transportation project will cultivate the improvement, development, or redevelopment of the zone; and

(7) for a zone intended to promote the acquisition, construction, improvement, or operation of a freight or rail facility or system, provide for a date for termination of the zone.

(h) From taxes collected on property in a zone, the municipality shall pay into the tax increment account for the zone ~~[an amount equal to]~~ the tax increment produced by the municipality, less any amount allocated under previous agreements, including agreements under Chapter 380, Local Government Code, or Chapter 311, Tax Code.

(i) All or the portion specified by the municipality of the money deposited to a tax increment account must be used to fund the transportation project for which the zone was

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in the tax increment account to that entity. After a pledge or assignment is made, if the entity that received the pledge or assignment has itself pledged or assigned that amount to secure bonds or other obligations issued to obtain funding for the transportation project, the governing body of the municipality may not rescind its pledge or assignment until the bonds or other obligations secured by the pledge or assignment have been paid or discharged.

(i-2) To accommodate changes in the limits of the project for which a reinvestment zone was designated, the boundaries of a zone may be amended at any time, except that property may not be removed or excluded from a designated zone if any part of the tax increment account has been assigned or pledged directly by the municipality or through another entity to secure bonds or other obligations issued to obtain funding of the project, and property may not be added to a designated zone unless the governing body of the municipality complies with Subsections (e) and (g).

(j) Except as provided by Subsections (i-1) and [Subsection] (k), a transportation reinvestment zone terminates on December 31 of the year in which the municipality completes [complies with] a contractual requirement, if any, that included the pledge or assignment of all or a portion of money deposited to a tax increment account or the repayment of money owed under an [the] agreement for development, redevelopment, or improvement of the project for [under Section 222.104 in connection with] which the zone was designated.

(k) A transportation reinvestment zone terminates on December 31 of the 10th year after the year the zone was

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improvement, or operation of a freight or passenger rail facility or system as well as aesthetic improvements within the zone. Any remaining money deposited to the tax increment account may be used for other purposes as determined by the municipality [Money deposited to a tax increment account must be used to fund projects authorized under Section 222.104, including the repayment of amounts owed under an agreement entered into under that section].

(i-1) The governing body of a municipality may contract with a public or private entity to develop, redevelop, or improve a transportation project in a transportation reinvestment zone and may pledge and assign all or a specified amount of money in the tax increment account to that entity. After a pledge or assignment is made, if the entity that received the pledge or assignment has itself pledged or assigned that amount to secure bonds or other obligations issued to obtain funding for the transportation project, the governing body of the municipality may not rescind its pledge or assignment until the bonds or other obligations secured by the pledge or assignment have been paid or discharged.

(i-2) To accommodate changes in the limits of the project for which a reinvestment zone was designated, the boundaries of a zone may be amended at any time, except that property may not be removed or excluded from a designated zone if any part of the tax increment account has been assigned or pledged directly by the municipality or through another entity to secure bonds or other obligations issued to obtain funding of the project, and property may not be added to a designated zone unless the governing body of the municipality complies with Subsections (e) and (g).

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designated or, as applicable, the acquisition, construction, improvement, or operation of a freight or passenger rail facility or system as well as aesthetic improvements within the zone. Any remaining money deposited to the tax increment account may be used for other purposes as determined by the municipality [Money deposited to a tax increment account must be used to fund projects authorized under Section 222.104, including the repayment of amounts owed under an agreement entered into under that section].

(i-1) The governing body of a municipality may contract with a public or private entity to develop, redevelop, or improve a transportation project in a transportation reinvestment zone and may pledge and assign all or a specified amount of money in the tax increment account to that entity. After a pledge or assignment is made, if the entity that received the pledge or assignment has itself pledged or assigned that amount to secure bonds or other obligations issued to obtain funding for the transportation project, the governing body of the municipality may not rescind its pledge or assignment until the bonds or other obligations secured by the pledge or assignment have been paid or discharged.

(i-2) To accommodate changes in the limits of the project for which a reinvestment zone was designated, the boundaries of a zone may be amended at any time, except that property may not be removed or excluded from a designated zone if any part of the tax increment account has been assigned or pledged directly by the municipality or through another entity to secure bonds or other obligations issued to obtain funding of the project, and property may not be added to a designated zone unless the governing body of the municipality complies with

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designated, if before that date the municipality has not entered into a contract described in Subsection (i-1) or otherwise not used the zone for the purpose for which it was designated.

(l) Any surplus remaining in a tax increment account on termination of a zone may be used for other purposes as determined by [transportation projects of] the municipality [in or outside of the zone].

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(j) Except as provided by Subsections (i-1), [Subsection] (k), and (l-1), a transportation reinvestment zone terminates on December 31 of the year in which the municipality completes [complies with] a contractual requirement, if any, that included the pledge or assignment of all or a portion of money deposited to a tax increment account or the repayment of money owed under an [the] agreement for development, redevelopment, or improvement of the project for [under Section 222.104 in connection with] which the zone was designated.

(k) A transportation reinvestment zone terminates on December 31 of the 10th year after the year the zone was designated, if before that date the municipality has not entered into a contract described in Subsection (i-1) or otherwise not used the zone for the purpose for which it was designated.

(l) Any surplus remaining in a tax increment account on termination of a zone may be used for other purposes as determined by [transportation projects of] the municipality [in or outside of the zone].

(l-1) A transportation reinvestment zone designated to promote the acquisition, construction, improvement, or operation of a freight or passenger rail facility or system terminates on the earlier of:

(1) the termination date specified in the ordinance designating the zone or an earlier or later termination date specified by an ordinance adopted subsequent to the ordinance designating the zone; or

(2) the date on which all costs incurred in the acquisition, construction, improvement, or operation of the freight or passenger rail facility or system, tax increment bonds and

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Subsections (e) and (g).

(j) Except as provided by Subsections (i-1), [Subsection] (k), and (l-1), a transportation reinvestment zone terminates on December 31 of the year in which the municipality completes [complies with] a contractual requirement, if any, that included the pledge or assignment of all or a portion of money deposited to a tax increment account or the repayment of money owed under an [the] agreement for development, redevelopment, or improvement of the project for [under Section 222.104 in connection with] which the zone was designated.

(k) A transportation reinvestment zone terminates on December 31 of the 10th year after the year the zone was designated, if before that date the municipality has not entered into a contract described in Subsection (i-1) or otherwise not used the zone for the purpose for which it was designated.

(l) Any surplus remaining in a tax increment account on termination of a zone may be used for other purposes as determined by [transportation projects of] the municipality [in or outside of the zone].

(l-1) A transportation reinvestment zone designated to promote the acquisition, construction, improvement, or operation of a freight or passenger rail facility or system terminates on the earlier of:

(1) the termination date specified in the ordinance designating the zone or an earlier or later termination date specified by an ordinance adopted subsequent to the ordinance designating the zone; or

(2) the date on which all costs incurred in the acquisition, construction, improvement, or operation of the freight or

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SECTION 2.09. The heading to Section 222.107, Transportation Code, is amended to read as follows:
Sec. 222.107. COUNTY TRANSPORTATION REINVESTMENT ZONES[; ~~TAX ABATEMENTS; ROAD UTILITY DISTRICTS~~].

SECTION 2.10. Section 222.107, Transportation Code, is amended by amending Subsections (b), (c), (e), (f), (h), (i), (k), and (l) and adding Subsections (h-1) and (k-1) to read as follows:

(b) This section applies only to a county in which a transportation project is to be developed [~~the commissioners court of which intends to enter into a pass-through toll agreement with the department~~] under Section 222.104.

(c) The commissioners court of the county, after determining that an area is unproductive and underdeveloped and that action under this section would further the purposes described by Section 222.105, by order or resolution may designate a contiguous geographic area in the jurisdiction of the county to be a transportation reinvestment zone to promote a transportation project [~~described by Section 222.104 that cultivates development or redevelopment of the area~~] and for the purpose of abating ad valorem taxes or granting other relief from taxes imposed by the county on real property

interest on those bonds, and other obligations have been paid in full.
(m) In this section, "rail facility" has the meaning assigned by Section 91.001.

SECTION 25.03. Same as House version.

SECTION 25.04. Same as House version.

passenger rail facility or system, tax increment bonds and interest on those bonds, and other obligations have been paid in full.
(m) In this section, "rail facility" has the meaning assigned by Section 91.001.

Same as House version.

Same as House version.

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located in the zone.

(e) Not later than the 30th day before the date the commissioners court proposes to designate an area as a transportation reinvestment zone under this section, the commissioners court must hold a public hearing on the creation of the zone, its benefits to the county and to property in the proposed zone, and the abatement of ad valorem taxes or the grant of other relief from ad valorem taxes imposed by the county on real property located in the zone. At the hearing an interested person may speak for or against the designation of the zone, its boundaries, or the abatement of or the relief from county taxes on real property in the zone. Not later than the seventh day before the date of the hearing, notice of the hearing and the intent to create a zone must be published in a newspaper having general circulation in the county.

(f) The order or resolution designating an area as a transportation reinvestment zone must:

(1) describe the boundaries of the zone with sufficient definiteness to identify with ordinary and reasonable certainty the territory included in the zone;

(2) provide that the zone takes effect immediately on adoption of the order or resolution; ~~and~~

(3) assign a name to the zone for identification, with the first zone designated by a county designated as "Transportation Reinvestment Zone Number One, County of (name of county)," and subsequently designated zones assigned names in the same form numbered consecutively in the order of their designation; and

(4) designate the base year for purposes of establishing the tax increment base of the county.

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(h) The commissioners court by order or resolution may enter into an agreement with the owner of any real property located in the transportation reinvestment zone to abate all or a portion of the ad valorem taxes or to grant other relief from the taxes imposed by the county on the owner's property in an amount not to exceed the amount calculated under Subsection (a)(1) for that year. All abatements or other relief granted by the commissioners court in a transportation reinvestment zone must be equal in rate. In the alternative, the commissioners court by order or resolution may elect to abate a portion of the ad valorem taxes or otherwise grant relief from the taxes imposed by the county on all real property located in the zone. In any ad valorem tax year, the total amount of the taxes abated or the total amount of relief granted under this section may not exceed the amount calculated under Subsection (a)(1) for that year, less any amounts allocated under previous agreements, including agreements under Chapter 381, Local Government Code, or Chapter 312, Tax Code.

(h-1) To further the development of the transportation project for which the transportation reinvestment zone was designated, a county may assess all or part of the cost of the transportation project against property within the zone. The assessment against each property in the zone may be levied and payable in installments in the same manner as provided by Sections 372.016-372.018, Local Government Code, provided that the installments do not exceed the total amount of the tax abatement or other relief granted under Subsection (h). The county may elect to adopt and apply the provisions of Sections 372.015-372.020 and 372.023, Local Government Code, to the assessment of costs and Sections 372.024-

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372.030, Local Government Code, to the issuance of bonds by the county to pay the cost of a transportation project. The commissioners court of the county may contract with a public or private entity to develop, redevelop, or improve a transportation project in the transportation reinvestment zone, including aesthetic improvements, and may pledge and assign to that entity all or a specified amount of the revenue the county receives from installment payments of the assessments for the payment of the costs of that transportation project. After a pledge or assignment is made, if the entity that received the pledge or assignment has itself pledged or assigned that amount to secure bonds or other obligations issued to obtain funding for the transportation project, the commissioners court of the county may not rescind its pledge or assignment until the bonds or other obligations secured by the pledge or assignment have been paid or discharged. Any amount received from installment payments of the assessments not pledged or assigned in connection with the transportation project may be used for other purposes associated with the transportation project or in the zone.

(i) In the alternative, to [To] assist the county in developing a transportation project [authorized under Section 222.104], if authorized by the commission under Chapter 441, a road utility district may be formed under that chapter that has the same boundaries as a transportation reinvestment zone created under this section.

(k) A road utility district formed as provided by Subsection (i) may enter into an agreement [with the county to assume the obligation, if any, of the county] to fund development of a project [under Section 222.104] or to repay funds owed to the

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department [~~under Section 222.104~~]. Any amount paid for this purpose is considered to be an operating expense of the district. Any taxes collected by the district that are not paid for this purpose may be used for any district purpose.

(k-1) To accommodate changes in the limits of the project for which a reinvestment zone was designated, the boundaries of a zone may be amended at any time, except that property may not be removed or excluded from a designated zone if any part of the assessment has been assigned or pledged directly by the county or through another entity to secure bonds or other obligations issued to obtain funding of the project, and property may not be added to a designated zone unless the governing body of the municipality complies with Subsections (e) and (f).

(l) Except as provided by Subsection (m), a tax abatement agreement entered into under Subsection (h), or an order or resolution on the abatement of taxes or the grant of relief from taxes under that subsection, terminates on December 31 of the year in which the county completes any contractual requirement that included the pledge or assignment of assessments [~~of money~~] collected under this section.

SECTION 2.11. Subchapter E, Chapter 222, Transportation Code, is amended by adding Sections 222.108 and 222.109 to read as follows:

Sec. 222.108. TRANSPORTATION REINVESTMENT ZONES FOR OTHER TRANSPORTATION PROJECTS. (a) Notwithstanding the requirement in Sections 222.106(b) and 222.107(b) that a transportation reinvestment zone be established in connection with a project under Section

SECTION 25.05. Same as House version but does not include the following language at the end of Subsection (a) provided that the commission or department may take any action that in its reasonable judgment is necessary to comply with any federal requirement to enable this state to receive federal-aid highway funds.

Same as House version.

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222.104. a municipality or county may establish a transportation reinvestment zone for any transportation project. If all or part of the transportation project is subject to oversight by the department, at the option of the governing body of the municipality or county, the department shall delegate full responsibility for the development, design, letting of bids, and construction of the project, including project oversight and inspection, to the municipality or county provided that the commission or department may take any action that in its reasonable judgment is necessary to comply with any federal requirement to enable this state to receive federal-aid highway funds.

(b) A transportation project developed under Subsection (a) that is on the state highway system must comply with state design criteria unless the department grants an exception to the municipality or county.

(c) In this section, "transportation project" has the meaning assigned by Section 370.003.

Sec. 222.109. REDUCTION PROHIBITED. (a) A municipality or county may not be penalized with a reduction in traditional transportation funding because of the designation and use of a transportation reinvestment zone under this chapter. Any funding from the department identified for a project before the date that a transportation reinvestment zone is designated may not be reduced because the transportation reinvestment zone is designated in connection with that project.

(b) The department may not reduce any allocation of traditional transportation funding to any of its districts

No equivalent provision.

Same as House version.

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because a district contains a municipality or county that contains a transportation reinvestment zone designated under this chapter.

SECTION 2.12. Subchapter B, Chapter 223, Transportation Code, is amended by adding Section 223.0411 to read as follows:

Sec. 223.0411. REPORT. (a) Not later than December 31, 2009, the comptroller shall submit a report to the governor and the Legislative Budget Board as provided by this section. In developing the report, the comptroller shall collaborate with:

- (1) the department;
- (2) the Texas Board of Professional Engineers;
- (3) a statewide organization that represents general contractors; and
- (4) a statewide organization that represents engineering companies.

(b) The report must include:

- (1) the number of licensed professional engineers and graduate engineers employed by the department in each of the previous five state fiscal years aggregated by work function and by strategy;
- (2) the number of department employees associated with the planning, design, and management of department construction projects in each of the previous five state fiscal years;
- (3) the dollar amount of highway and bridge projects awarded by the department in each of the previous five state fiscal years, including the percentage of those projects for which planning, design, and management activities were conducted

SECTION 1.18. Subchapter B, Chapter 223, Transportation Code, is amended by adding Section 223.0411 to read as follows:

Sec. 223.0411. REPORT. (a) Not later than December 31, 2009, the comptroller shall submit a report to the governor, the Transportation Legislative Oversight Committee, and the Legislative Budget Board as provided by this section. In developing the report, the comptroller shall collaborate with:

- (1) the department;
- (2) the Texas Board of Professional Engineers;
- (3) the Associated General Contractors; and
- (4) the Texas Consultant Engineer Council.

(b) The report must include:

- (1) the number of licensed professional engineers and graduate engineers employed by the department in each of the previous five state fiscal years aggregated by work function and by strategy;
- (2) the dollar amount of highway and bridge projects awarded by the department in each of the previous five state fiscal years;
- (3) the cost, including all direct and indirect costs, aggregated by type of project per \$100 million, of highway and bridge projects awarded by the department in each of the previous five state fiscal years, including the percentage of those projects for which activities were conducted by:
 - (A) department personnel;

Same as Senate version.

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by:

(A) department personnel;

(B) private sector personnel; and

(C) both department personnel and private sector personnel;

(4) the cost, including all direct and indirect costs, for all planning, design, and management activities performed by department personnel, private sector personnel, and both department personnel and private sector personnel aggregated by type of project per \$100 million of highway and bridge projects awarded by the department in each of the previous five state fiscal years;

(5) an analysis of the dollar volume impact to the department's highway and bridge construction and maintenance program per \$100 million of highway and bridge projects awarded for each one percent increase in production by consultants offset by a reduction to production by department personnel, considering cost to produce as developed in Subdivision (4);

(6) a recommended plan for staffing and usage of department and private sector personnel in the planning, design, and management of department highway and bridge projects for the next 10-year period based on projected funding for the department.

(7) an attrition plan to reach recommended department staffing levels described by Subsection (b)(6) not later than January 1, 2013, if applicable;

(8) a detailed description for how the report will be incorporated in the department's ongoing restructuring effort.

(c) The analysis required by Subsection (b)(4) shall be conducted by an independent contract cost accounting firm

(B) private sector personnel; and

(C) both department personnel and private sector personnel;

(4) an analysis of the dollar volume impact to the department's highway and bridge construction and maintenance program per \$100 million of projects awarded for each one percent increase in production by private sector personnel offset by a reduction in the activities of department personnel, considering the cost to perform activities described by Subdivision (3);

(5) a recommended plan for staffing and usage of department and private sector personnel in the planning of department highway and bridge projects for the next 10-year period based on projected funding for the department;

(6) an attrition plan to achieve the department staffing levels recommended in the plan under Subdivision (5) before January 1, 2013, if those recommended levels are lower than the corresponding staffing levels on September 1, 2009; and

(7) a detailed description as to how the results of the report will be incorporated in the department's ongoing restructuring efforts.

(c) The cost analysis required by Subsection (b)(3) shall be conducted by an independent contract cost accounting firm that is knowledgeable of governmental and private sector accounting practices.

(d) The department may not hire a new employee to fill a vacancy in a position paid out of funds appropriated to the department for the planning, design, and management of transportation projects in the General Appropriations Act (Strategy A.1.1., or its successor) until:

(1) the comptroller submits the report required by this

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that is knowledgeable of governmental and private sector accounting practices. The firm shall apply the same rules for the allocation of indirect costs, employee benefits, and other practices for all projects analyzed.

(d) The department may not hire a new employee to fill a vacancy in a position paid out of funds appropriated to the department for the planning, design, and management of transportation projects in the General Appropriations Act (Strategy A.1.1., or its successor) until:

(1) the comptroller submits the report required by this section; and

(2) the Legislative Budget Board approves the recommendations contained in the report.

(e) Not later than April 1, 2010, the department shall implement the recommended plan for staffing described by Subsection (b)(6), subject to approval by the Legislative Budget Board under Subsection (d).

(f) This section expires September 1, 2011.

SECTION 2.13. Subchapter A, Chapter 223, Transportation Code, is amended by adding Section 223.0125 to provide for liquidated damages to be paid by a contractor to business entities located in a project area that are adversely affected by highway project completion delays for projects with a planned construction duration of more than six months. Requires TxDOT to incorporate the schedule in each highway construction contract, receive claims from applicable business entities claiming damages; and collect and send the damages to business entities as provided by the schedule. TxDOT would hold damages paid by a contractor in trust outside the

section; and

(2) the Legislative Budget Board approves the recommendations contained in the report.

(e) This section expires September 1, 2011.

No equivalent provision.

Same as Senate version.

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treasury for the benefit of an adversely affected business entity. *(House 2nd Reading Amendment 105 by Bonnen)*

SECTION 2.14. Section 222.053, Transportation Code, is amended by amending Subsection (b) and adding Subsection (i) to allow the commission to waive certain local incentives from a political subdivision for a highway trunk system project in a county with a population of less than 5,000 or a county with a population of 5,000 or more but less than 15,000 if the project is part of a federally designated high priority corridor.

SECTION 2.15. (a) Subchapter D, Chapter 472, Transportation Code, is amended by adding Sections 472.0311 through 472.0316 and 472.035 through 472.046 to read as follows:

Sec. 472.0311. PURPOSE. (a) The metropolitan transportation planning process described by this subchapter is intended to:

(1) encourage and promote the safe and efficient management, operation, and development of surface transportation systems to serve the mobility needs of people and freight;

(2) foster economic growth and development in and through urbanized areas of this state; and

(3) minimize transportation-related fuel consumption, air pollution, and greenhouse gas emissions.

(b) To accomplish the objectives under Subsection (a), metropolitan planning organizations shall develop, in

No equivalent provision.

SECTION 2.10. Subchapter D, Chapter 472, Transportation Code, is amended by adding Section 472.0331 to read as follows:

No equivalent provision.

Same as House version.

Same as House version.

Same as House version.

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cooperation with this state and public transit operators, transportation plans and programs for metropolitan areas in this state.

(c) The plans and programs for each metropolitan area must provide for the development and integrated management and operation of transportation systems and facilities, including pedestrian walkways and bicycle transportation facilities that will function as an intermodal transportation system for the metropolitan area.

(d) The process for developing plans and programs under this subchapter shall provide for consideration of all modes of transportation and be continuing, cooperative, and comprehensive, to the degree appropriate, based on the complexity of the transportation issues to be addressed.

(e) To ensure that the process is integrated with the statewide planning process, metropolitan planning organizations shall develop plans and programs that identify transportation facilities that should function as an integrated metropolitan transportation system and give emphasis to facilities that serve important national, state, and regional transportation functions.

Sec. 472.0312. DESIGNATION AND BOUNDARIES. (a) A metropolitan planning organization must be designated or redesignated in accordance with, and its boundaries determined by, 23 U.S.C. Section 134.

(b) Each designated metropolitan planning organization must be fully operational not later than the 180th day after the date of its designation.

Sec. 472.0313. POLICY BOARD OFFICERS. (a) Each

Sec. 472.0331. ORGANIZATION. (a) The governor shall designate, in accordance with 23 U.S.C. Section 134, a metropolitan planning organization for each urbanized area of this state having a population of more than 50,000.

(b) The policy board of a metropolitan planning organization is the governing body of that organization. Not more than 50 percent of the number of the voting members of the policy board ~~must~~ may [Section 4 of Senate Floor Amendment 1 by

Include provisions from both versions to read as follows:

Sec. 472.0312. DESIGNATION AND BOUNDARIES. (a) The governor shall designate, in accordance with 23 U.S.C. Section 134, a metropolitan planning organization for each urbanized area of this state having a population of more than 50,000.

(b) A metropolitan planning organization must be designated or redesignated in accordance with, and its boundaries

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policy board shall designate, at a minimum, a presiding officer, an assistant presiding officer, and a secretary.

(b) The policy board shall select from among its members the presiding officer and assistant presiding officer.

(c) The secretary of the policy board shall prepare meeting minutes and maintain board records. The secretary may be a member of the policy board, an employee of the metropolitan planning organization, or any other individual.

Sec. 472.0314. OPEN MEETINGS. A policy board is subject to Chapter 551, Government Code.

Sec. 472.0315. POLICY BOARD MEMBERSHIP AND VOTING REQUIREMENTS IN CERTAIN AREAS; ELIGIBILITY FOR STATE ALLOCATION OF FUNDING.

(a) The policy board of a metropolitan planning organization that serves two adjacent counties that each have a population of one million or more must consist of not less than three members of the legislature elected from the area served by the organization.

(b) To be eligible to receive funds from this state for transportation projects under Section 201.668:

(1) at least 75 percent of a metropolitan planning organization's policy board members must be elected officials who are elected in the boundaries of the metropolitan planning organization; and

(2) only elected officials may be voting members of the organization's policy board.

(c) A metropolitan planning organization that is not eligible under Subsection (b) may redesignate the board so as to become eligible to receive an allocation of funds under

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Hegar] be elected officials whose jurisdictions are wholly or partially in the boundaries of the metropolitan planning organization.

(c) A metropolitan planning organization is a governmental entity. The policy board is subject to Chapter 551, Government Code.

SECTION 2.05. Subchapter I, Chapter 201, Transportation Code is amended by adding Section 201.711. Sec. 201.711. ELIGIBILITY FOR STATE ALLOCATION OF FUNDING; BOARD MEMBERSHIP. (a) To be eligible to receive funds from this state for transportation projects under Section 201.988, not more than 50 percent of the voting members of the policy board of a metropolitan planning organization must be elected officials who are elected in the boundaries of the metropolitan planning organization.

(b) A metropolitan planning organization that is not eligible under Subsection (a) may redesignate the board in compliance with the redesignation procedures in 23 U.S.C. Section 134 to become eligible to receive an allocation of funds under Section 201.988.

(c) In this section, "elected official" means the presiding officer or a member of the governing body of a municipality, a county judge, a county commissioner, a state representative, or a state senator.

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determined by, 23 U.S.C. Section 134.

(c) Each designated metropolitan planning organization must be fully operational not later than the 180th day after the date of its designation.

Sec. 472.0331. ORGANIZATION. (a) A metropolitan planning organization is a governmental entity. The policy board is subject to Chapter 551, Government Code.

Do not include either version.

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Section 201.668.

(d) In this section, "elected official" means the presiding officer or a member of the governing body of a municipality, a county judge, a county commissioner, a state representative, or a state senator.

SECTION __.__. Subchapter H, Chapter 201, Transportation Code, is amended by adding Section 201.6105 to requires TxDOT to study the construction of a sound barrier along the east side of State Highway 288 in Houston and submit the results to the commission by December 31, 2010. *(House 2nd Reading Floor Amendment 182 by Edwards)*

No equivalent provision.

Same as Senate version.

SECTION __.__ and
SECTION 2 (part 1)

Sections 504.201, and Section 681.003, Transportation Code, are amended to add language that, if a person with a mobility problem that substantially impairs the person's ability to ambulate applies for a specialty license or placard, the required written statement may be written by a person licensed to practice chiropractic in the state. *(Second Reading Amendment # 180 Davis as Amended by 2nd Reading Amendment to the Amendment # 183 Fletcher)*

No equivalent provision.

Same as Senate version.

SECTION 2. Sec. 472.0316. REPRESENTATION OF TRANSPORTATION-RELATED ENTITIES. (a) In metropolitan areas in which authorities or other agencies have been or may be created by law to perform transportation functions and are performing transportation functions that are

No equivalent provision.

Same as House version.

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not under the jurisdiction of a municipality or county represented on the metropolitan planning organization, the authorities or other agencies may be provided voting membership on the policy board.

(b) In all other metropolitan planning organizations in which transportation authorities or agencies are to be represented by elected officials from a municipality or county, the organization shall establish a process by which the collective interests of such authorities or other agencies are expressed and conveyed.

No equivalent provision.

Sec. 472.035. POWERS, DUTIES, AND RESPONSIBILITIES. (a) The powers, duties, and responsibilities of a metropolitan planning organization are those specified in this subchapter or incorporated in an interlocal agreement entered into to implement this subchapter.

(b) Each metropolitan planning organization shall perform all acts required by applicable federal or state law or rules that are necessary to qualify for federal aid.

SECTION 2.01. (4) "Metropolitan planning organization" has the meaning assigned by Section 472.031, Transportation Code.

SECTION 2.10. Sec. 472.0332. DUTIES. In addition to the requirements of federal law, a metropolitan planning organization shall perform the duties required by state law and those delegated by the commission under Subchapter H, Chapter 201.

SECTION 2.11. Sec. 472.035. DUTIES. The duties of a metropolitan planning organization are to provide regional transportation forecasting and planning, set regional priorities, and make project selection decisions as provided by federal law and the commission. The organization shall not be involved in project development activities for individual projects, including environmental clearance, procurement, or management of the project design and construction process.

Same as Senate version.

Include provisions from both versions as follows:

SECTION 2.10. Sec. 472.0332. DUTIES. In addition to the requirements of federal law, a metropolitan planning organization shall perform the duties required by state law and those delegated by the commission under Subchapter H, Chapter 201.

Sec. 472.035. POWERS, DUTIES, AND RESPONSIBILITIES. (a) The powers, duties, and responsibilities of a metropolitan planning organization are (1) those specified in this subchapter or incorporated in an interlocal agreement entered into to implement this subchapter.

(2) to provide regional transportation forecasting and planning, set regional priorities, and make project selection decisions as

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SECTION 2.03. Sec. 201.6015. DELEGATION OF DUTIES OR POWERS TO METROPOLITAN PLANNING ORGANIZATION. A metropolitan planning organization may agree to accept additional responsibilities delegated by the commission concerning transportation planning and project selection.

provided by federal law and the commission

(b) Each metropolitan planning organization shall perform all acts required by applicable federal or state law or rules that are necessary to qualify for federal aid.

(c) ~~The organization~~ A metropolitan planning organization shall not manage or implement ~~be involved in project development activities for~~ individual projects, including ~~environmental clearance,~~ procurement, or management of the project design and construction process.

SECTION 2.03. Sec. 201.6015. DELEGATION OF DUTIES OR POWERS TO METROPOLITAN PLANNING ORGANIZATION. A metropolitan planning organization may agree to accept additional responsibilities delegated by the commission concerning transportation planning and project selection.

Sec. 472.036. PLANNING. (a) To the extent permitted by state or federal law, a metropolitan planning organization shall:

(1) be involved in the planning and programming of transportation facilities, including airports, intermunicipal and high-speed rail lines, seaports, and intermodal facilities; and

(2) in cooperation with the department, develop:

(A) a long-range transportation plan as required by Section 472.042;

(B) an annually updated transportation improvement program as required by Section 472.043; and

(C) an annual unified planning work program as required by Section 472.044.

No equivalent provision.

Same s House version.

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(b) In developing the long-range transportation plan and the transportation improvement program under Subsection (a), each metropolitan planning organization shall consider projects and strategies that will:

(1) support the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency;

(2) increase the safety and security of the transportation system for motorized and nonmotorized users;

(3) increase the accessibility and mobility options available to people and for freight;

(4) protect and enhance the environment, promote energy conservation, and improve quality of life;

(5) enhance the integration and connectivity of the transportation system, across and between modes, for people and freight;

(6) promote efficient system management and operation; and

(7) emphasize the preservation of the existing transportation system.

(c) To provide recommendations to the department and local governmental entities regarding transportation plans and programs, each metropolitan planning organization shall:

(1) prepare a congestion management system for the metropolitan area and cooperate with the department in the development of any other transportation management system required by state or federal law;

(2) assist the department in mapping transportation planning boundaries required by state or federal law;

(3) assist the department in performing its duties relating to access management, functional classification of roads, and

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data collection;

- (4) execute all agreements or certifications necessary to comply with applicable state or federal law;
- (5) represent all the jurisdictional areas in the metropolitan area in the formulation of a transportation plan or program required by this subchapter; and
- (6) perform all other duties required by state or federal law.

Sec. 472.037. TECHNICAL ADVISORY COMMITTEE. (a) Each metropolitan planning organization shall appoint a technical advisory committee whose members serve at the pleasure of the metropolitan planning organization.

(b) The membership of the technical advisory committee must include, if possible:

- (1) planners;
- (2) engineers;
- (3) a representative of each political subdivision or agency or department of a political subdivision that provides transportation services, including, as applicable:
 - (A) a port authority, navigation district, or public transit authority; or
 - (B) a county or municipal airport or transit department;
- (4) the superintendent of each school district in the jurisdiction of the metropolitan planning organization or a person designated by the superintendent; and
- (5) other appropriate representatives of affected local governments.

Sec. 472.038. SAFE ACCESS TO SCHOOLS. (a) In addition to any other duty assigned to it by the metropolitan planning

No equivalent provision.

Same as House version.

No equivalent provision.

Same as House version.

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organization or by state or federal law, the technical advisory committee is responsible for considering safe access to schools in its review of transportation project priorities, long-range transportation plans, and transportation improvement programs and shall advise the metropolitan planning organization on those issues.

(b) The technical advisory committee shall coordinate its actions with local school boards and other local programs and organizations in the metropolitan area that participate in school safety activities, including locally established community traffic safety teams.

(c) A school board must provide the appropriate metropolitan planning organization with information concerning future school sites and the coordination of transportation services.

Sec. 472.039. EMPLOYEES. (a) Each metropolitan planning organization shall employ:

(1) an executive or staff director who reports directly to the organization's policy board for all matters regarding the administration and operation of the metropolitan planning organization; and

(2) any additional personnel the policy board considers necessary.

(b) The executive or staff director and additional personnel may be employed by the metropolitan planning organization or by another governmental entity, including a county, municipality, or regional planning organization that has a staff services agreement with the metropolitan planning organization.

(c) A metropolitan planning organization may enter into a

No equivalent provision.

Same as House version.

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contract with a local or state agency, private planning firm, private engineering firm, or other public or private entity to accomplish the metropolitan planning organization's transportation planning and programming duties and administrative functions.

(d) A metropolitan planning organization, for the purpose of influencing legislation, may not engage the services of a person who is required to register with the Texas Ethics Commission under Chapter 305, Government Code.

Sec. 472.040. TRAINING. (a) To enhance its members' knowledge, effectiveness, and participation in the transportation planning process, a metropolitan planning organization shall provide training opportunities and funds for the organization's members.

(b) Training of its policy board members may be conducted by the metropolitan planning organization or through statewide or federal training programs and initiatives that are specifically designed to meet the needs of metropolitan planning organization policy board members.

Sec. 472.041. COORDINATION WITH OTHER ENTITIES. A metropolitan planning organization may join with any other metropolitan planning organization or an individual political subdivision to:

(1) coordinate activities; or

(2) achieve any federal or state transportation planning or development goal or purpose consistent with federal or state law.

No equivalent provision.

Same as the House version.

No equivalent provision.

Same as House version.

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Sec. 472.042. LONG-RANGE TRANSPORTATION PLAN. Each metropolitan planning organization shall develop a long-range transportation plan that addresses at least a 20-year period. The plan must include both long-range and short-range strategies and comply with all other state and federal requirements.

No equivalent provision.

Sec. 201.621. METROPOLITAN TRANSPORTATION PLAN. (a) A metropolitan planning organization shall prepare and periodically update a long-range transportation plan for its service area as required by federal law. The long range plan must:
(1) address at least a 20-year period;
(2) include both long-range and short-range strategies; and
(3) comply with all other state and federal requirements.
(b) The first ten years of the long-range plan must be identical to the plan developed under Section 201.983.
(c) Before approving a long range transportation plan, a metropolitan planning organization shall provide to residents in its boundaries, affected public agencies, and other interested parties a reasonable opportunity to comment on the long-range transportation plan.
(d) A metropolitan planning organization shall make each of its long-range transportation plans readily available for public review and shall deliver each plan to the commission at the times and in the manner and format established by the commission. The format of the plan must be in plain English and easily reviewable and understandable. The metropolitan planning organization shall update the plan every year or more frequently as necessary.

ARTICLE 13. METROPOLITAN PLANNING ORGANIZATIONS. SECTION 13.01 and SECTION 3.02. Section 472.034, Transportation Code, is amended to add SB 585 by Carona relating to standards of conduct and ethics policies for MPOs. Specifies that if an MPO employee is subject to an ethics policy of another governmental entity, the

Includes both versions.

Same as House version because SB 585 passed.

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Sec. 472.043. TRANSPORTATION IMPROVEMENT PROGRAM. (a) Each metropolitan planning organization shall develop annually a list of project priorities and a transportation improvement program. The prevailing principles to be considered by the metropolitan planning organization when developing a list are:

- (1) preserving the existing transportation infrastructure;
 - (2) enhancing the economic competitiveness of this state; and
 - (3) improving travel choices to ensure mobility.
- (b) The transportation improvement program may be used to initiate federally aided transportation facilities and improvements and other transportation facilities and improvements, including transit, rail, aviation, and port facilities.
- (c) The transportation improvement program must be consistent, to the maximum extent feasible, with comprehensive plans of the political subdivisions the boundaries of which are in the metropolitan area served by the metropolitan planning organization.

Sec. 472.044. UNIFIED PLANNING WORK PROGRAM. (a) Each metropolitan planning organization shall develop, in cooperation with the department and public transit operators, a unified planning work program that lists all planning tasks to be undertaken during the program year.

(b) The unified planning work program must provide a complete description of each planning task and an estimated budget for that task and must comply with applicable state and

stricter policy prevails.

No equivalent provision.

No equivalent provision.

Same as House version.

Same as House version as amended as follows:

Sec. 472.046. PUBLICATION OF INFORMATION ON INTERNET WEBSITE. A metropolitan planning organization shall publish financial information on its Internet website, including information regarding:

- (1) budgeted annual revenues and expenditures;
- (2) actual quarterly annual revenues and expenditures; and
- (3) staffing levels.

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federal law.

Sec. 472.045. APPLICATION OF FEDERAL LAW. (a) On notification by an agency of the federal government that a provision of this subchapter conflicts with a federal law or regulation, the federal law or regulation takes precedence to the extent of the conflict until the conflict is resolved.

(b) The department or a metropolitan planning organization may take any action necessary to comply with federal laws and regulations or to continue to remain eligible to receive federal funds.

Sec. 472.046. PUBLICATION OF INFORMATION ON INTERNET WEBSITE. A metropolitan planning organization shall publish financial information on its Internet website, including information regarding:

- (1) budgeted annual revenues and expenditures;
- (2) actual quarterly revenues and expenditures; and
- (3) staffing levels.

(b) A metropolitan planning organization is not required to designate officers in accordance with Section 472.0313, Transportation Code, as added by this section, and a technical advisory committee of a metropolitan planning organization is not required to comply with Section 472.037, Transportation Code, as added by this section, before January 1, 2010.

SECTION 2.16. Section 472.032, Transportation Code, is amended to read as follows:

Sec. 472.032. VOTING PROXIES BY POLICY BOARD MEMBERS PROHIBITED. (a) A policy board may not

No equivalent provision.

No equivalent provision.

No equivalent provision.

~~(b) A metropolitan planning organization is not required to designate officers in accordance with Section 472.0313, Transportation Code, as added by this section, and a A technical advisory committee of a metropolitan planning organization is not required to comply with Section 472.037, Transportation Code, as added by this section, before January 1, 2010.~~

Same as House version as amended as follows:

SECTION 2.16. Section 472.032, Transportation Code, is amended to read as follows:

Sec. 472.032. **VOTING PROXIES BY POLICY BOARD**

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~~allow its members to vote by proxy [provide in its bylaws for appointment of voting proxies by its members].~~

~~(b) [A proxy appointed under Subsection (a):~~

~~[(1) acts on behalf of and under the supervision of the policy board member who appointed the proxy;~~

~~[(2) must be appointed in writing; and~~

~~[(3) is authorized to vote for the policy board member who appointed the proxy to the extent the member has given the proxy the member's voting power.~~

~~[(e)] A legislative member of a policy board may not be counted as absent at a meeting of the policy board during a legislative session.~~

~~[(d) A legislative member of a policy board may only appoint a proxy under Subsection (a) who is:~~

~~[(1) the legislative member's employee or staff member;~~

~~[(2) a person related to the member within the second degree by consanguinity, as determined under Subchapter B, Chapter 573, Government Code, who is not required to register as a lobbyist under Chapter 305, Government Code;~~

~~[(3) another legislative member of the policy board; or~~

~~[(4) a locally elected official.]~~

SECTION 2.17. Subchapter D, Chapter 201, Transportation Code, is amended by adding Section 201.214 to read as follows:

Sec. 201.214. ENVIRONMENTAL CERTIFICATION. (a)

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SECTION 1.10. (a) Subchapter D, Chapter 201, Transportation Code, is amended by adding Section 201.214 to read as follows:

Sec. 201.214. ENVIRONMENTAL CERTIFICATION. (a)

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MEMBERS PROHIBITED. (a) A policy board may not allow its members to vote by proxy. A policy board may allow for the appointment of alternate members, if defined in its bylaws, to serve in the absence of the primary members. ~~[provide in its bylaws for appointment of voting proxies by its members].~~

~~(b) [A proxy appointed under Subsection (a):~~

~~[(1) acts on behalf of and under the supervision of the policy board member who appointed the proxy;~~

~~[(2) must be appointed in writing; and~~

~~[(3) is authorized to vote for the policy board member who appointed the proxy to the extent the member has given the proxy the member's voting power.~~

~~[(e)] A legislative member of a policy board may not be counted as absent at a meeting of the policy board during a legislative session.~~

~~[(d) A legislative member of a policy board may only appoint a proxy under Subsection (a) who is:~~

~~[(1) the legislative member's employee or staff member;~~

~~[(2) a person related to the member within the second degree by consanguinity, as determined under Subchapter B, Chapter 573, Government Code, who is not required to register as a lobbyist under Chapter 305, Government Code;~~

~~[(3) another legislative member of the policy board; or~~

~~[(4) a locally elected official.]~~

Same as House version as amended as follows:

SECTION 2.17. Subchapter D, Chapter 201, Transportation Code, is amended by adding Section 201.214 to read as follows:

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The department shall establish a process to certify district environmental specialists in the department, including specialists for matters regarding compliance with state and federal regulation of stormwater runoff and control.

(b) The certification process must include minimum standards of training, as determined by the department, including mandatory annual continuing education standards for a certified person to be eligible for annual re-certification.

(d) A person licensed under Chapter 1001, Occupations Code shall not be required to provide or hold any additional certification, other than a license issued under that chapter, to seal a plan, specification, analysis, or report under this program.

SECTION 2.18. Subchapter B, Chapter 224, Transportation Code, is amended by adding Section 224.034 to require any transportation planning to include an aggregate resource availability assessment to assess the quantity, quality and

SENATE VERSION

So as to improve environmental accountability in the department, the department shall establish a certification process for environmental specialists. A person who successfully completes the certification process may:

(1) perform analyses and reviews of environmental reports and documents; and

(2) approve environmental reports and documents.

(b) The certification process must establish minimum levels of training, including continuing education. A person certified by the department must successfully complete continuing education on a regular basis and be recertified each year.

(b) Not later than March 31, 2010, the Texas Department of Transportation shall establish the certification process under Section 201.214, Transportation Code, as added by Subsection (a) of this section.

(c) Not later than September 30, 2010, each employee of the Texas Department of Transportation whose job includes working on the development of environmental reports and documents must have successfully completed the certification process under Section 201.214, Transportation Code, as added by Subsection (a) of this section.

No equivalent provision.

CONFERENCE

Sec. 201.214. ENVIRONMENTAL CERTIFICATION. (a) The department shall establish a process to certify district environmental specialists in the department, including specialists for matters regarding compliance with state and federal regulation of stormwater runoff and control.

(b) The certification process must include minimum standards of training, as determined by the department, including mandatory annual continuing education standards for a certified person to be eligible for annual re-certification.

~~(d) A person licensed under Chapter 1001, Occupations Code shall not be required to provide or hold any additional certification, other than a license issued under that chapter, to seal a plan, specification, analysis, or report under this program.~~

(c) Not later than March 31, 2010, the Texas Department of Transportation shall establish the certification process under Section 201.214, Transportation Code, as added by Subsection (a) of this section.

(d) Not later than September 30, 2010, each employee of the Texas Department of Transportation whose job includes working on the development of environmental reports and documents must have successfully completed the certification process under Section 201.214, Transportation Code, as added by Subsection (a) of this section.

Same as House version.

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extent of aggregate deposits that may be available as raw material. Requires the department in coordination and consultation with the Bureau of Economic Geology at UT Austin to conduct the assessment. *(2nd Reading Amendment 50 by Isett)*

SECTION 2.19. (a) Subchapter I, Chapter 201, Transportation Code, is amended to requires the department to use or enter into a contract to use at least 10,000 cubic yards per year of glass cullet as a replacement for aggregate material. *(2nd Reading Amendment 51 by Maldonado)*

SECTION 2.20. Section 364.004(c), Transportation Code, is repealed to remove the prohibition of a toll bridge in a county with a population of more than 675,000. *(2nd Reading Amendment 52 by Pickett)*

SECTION 2.21. Subchapter C, Chapter 371, Transportation Code, as added by Chapter 264 (S.B. 792), Acts of the 80th Legislature, Regular Session, 2007, is amended by adding Section 371.105 to read as follows:

Sec. 371.105. PROHIBITION AGAINST CONCESSION PAYMENTS; REVENUE SHARING. (a) In this section, "concession payment" means an up-front payment made by a private participant in return for which the private participant is granted a right to operate and receive revenue from a toll project.

(b) A toll project entity is prohibited from accepting a concession payment as part of a comprehensive development agreement.

No equivalent provision

No equivalent provision.

SECTION 4.08. Subchapter C, Chapter 371, Transportation Code, as added by Chapter 264 (S.B. 792), Acts of the 80th Legislature, Regular Session, 2007, is amended by adding Section 371.105 to read as follows:

Sec. 371.105. PROHIBITION AGAINST CONCESSION PAYMENTS; REVENUE SHARING. (a) In this section, "concession payment" means an up-front payment made by a private participant in return for which the private participant is granted a right to operate and receive revenue from a toll project.

(b) A toll project entity is prohibited from accepting a concession payment as part of a comprehensive development agreement.

Same as Senate version.

Same as House version.

Same as House version with the addition of the following from the Senate version:

(10) the Southwest Parkway (State Highway 121) in Tarrant County from Interstate 30 to Dirks Road/Altamesa Boulevard and the Chisholm Trail project from Dirks Road/Altamesa Boulevard to U.S. Highway 67 in the City of Cleburne; or

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(c) A toll project entity may enter into a revenue sharing agreement with a private participant as part of a comprehensive development agreement.

(d) This section does not apply to:

(1) the State Highway 161 project from State Highway 183 to Interstate Highway 20 in Dallas County;

(2) the Loop 49 project from Interstate Highway 20 to State Highway 110 in Smith County;

(3) the DFW Connector project in Tarrant and Dallas Counties (State Highway 114 from State Highway 114L Business to east of International Parkway and State Highway 121 from north of Farm-to-Market Road 2499 to south of State Highway 360);

(4) the North Tarrant Express project in Tarrant and Dallas Counties (Interstate Highway 820 and State Highway 121/State Highway 183 from Interstate Highway 35W to State Highway 161, Interstate Highway 820 east from State Highway 121/State Highway 183 to Randol Mill Road, and Interstate Highway 35W from Interstate Highway 30 to State Highway 170);

(5) the United States Highway 290 project from east of United States Highway 183 to east of Farm-to-Market Road 973 in Travis County;

(6) the State Highway 99 (Grand Parkway) project;

(7) the Interstate Highway 635 managed lanes project in Dallas County (Interstate Highway 635 from east of Luna Road to Greenville Avenue and Interstate Highway 35E from south of the Loop 12/Interstate Highway 35E split to south of Valwood Parkway);

(8) the Phase 3 and 4 extensions of the Dallas North Tollway

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(c) A toll project entity may enter into a revenue sharing agreement with a private participant as part of a comprehensive development agreement.

(d) This section does not apply to:

(1) the State Highway 161 project from State Highway 183 to Interstate Highway 20 in Dallas County;

(2) the United States Highway 281 project in Bexar County from Loop 1604 to the Comal County line;

(3) the Loop 49 project from Interstate Highway 20 to State Highway 110 in Smith County;

(4) the DFW Connector project in Tarrant and Dallas Counties (State Highway 114 from State Highway 114L Business to east of International Parkway and State Highway 121 from north of Farm-to-Market Road 2499 to south of State Highway 360);

(5) the North Tarrant Express project in Tarrant and Dallas Counties (Interstate Highway 820 and State Highway 121/State Highway 183 from Interstate Highway 35W to State Highway 161, Interstate Highway 820 east from State Highway 121/State Highway 183 to Randol Mill Road, and Interstate Highway 35W from Interstate Highway 30 to State Highway 170);

(6) the United States Highway 290 project from east of United States Highway 183 to east of Farm-to-Market Road 973 in Travis County;

(7) the State Highway 99 (Grand Parkway) project;

(8) the Interstate Highway 635 managed lanes project in Dallas County (Interstate Highway 635 from east of Luna Road to Greenville Avenue and Interstate Highway 35E from south of the Loop 12/Interstate Highway 35E split to south of

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in Collin and Denton Counties from State Highway 121 to the Grayson County line, and the planned future extension into Grayson County, regardless of which local toll project entity develops the extension in Grayson County;

(9) the Southwest Parkway (State Highway 121) in Tarrant County from south of Dirks Road/Altamesa Boulevard to Interstate Highway 30;

(10) a comprehensive development agreement in connection with a project associated with any portion of the Loop 9 project that is located in a nonattainment air quality area as designated by the United States Environmental Protection Agency that includes two adjacent counties that each have a population of one million or more;

(11) the Dallas North Tollway in Collin County from FM 428 to the Grayson County Line;

(12) the Lake Lavon Bridge in Collin County; and

(13) IH-35 West and associated passenger rail in Tarrant and Denton Counties.

SECTION 2.22. Subsection (a), Section 371.151, Transportation Code, as added by Chapter 264 (S.B. 792), Acts of the 80th Legislature, Regular Session, 2007, is amended to read as follows:

(a) Before a toll project entity enters into a contract for the construction of a toll project, the entity shall publish in the manner provided by Section 371.152 information regarding:

(1) project financing, including:

(A) the total amount of debt that has been and will be assumed to acquire, design, construct, operate, and maintain the toll project;

Valwood Parkway);

(9) Phase 4 extension of the Dallas North Tollway in Collin and Denton Counties from United States Highway 380 to the Grayson County line to be developed by North Texas Tollway Authority;

(10) the Southwest Parkway (State Highway 121) in Tarrant County from Interstate 30 to Dirks Road/Altamesa Boulevard and the Chisholm Trail project from Dirks Road/Altamesa Boulevard to U.S. Highway 67 in the City of Cleburne; or

(11) a comprehensive development agreement in connection with a project associated with any portion of the Loop 9 project that is located in a nonattainment air quality area as designated by the United States Environmental Protection Agency that includes two adjacent counties that each have a population of one million or more.

SECTION 4.09. Same as House version.

Same as House version.

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- (B) a description of how the debt will be repaid, including a projected timeline for repaying the debt; and
- (C) the projected amount of interest that will be paid on the debt;
- (2) whether the toll project will continue to be tolled after the debt has been repaid;
- (3) a description of the method that will be used to set toll rates;
- (4) a description of any terms in the contract relating to competing facilities, including any penalties associated with the construction of a competing facility;
- (5) a description of any terms in the contract relating to a termination for convenience provision, including any information regarding how the value of the project will be calculated for the purposes of making termination payments;
- (6) the initial toll rates, the methodology for increasing toll rates, and the projected toll rates at the end of the term of the contract; and
- (7) the terms of any revenue sharing agreement [~~the projected total amount of concession payments~~].

SECTION 2.23. (a) The changes in law made by Section 371.151, Transportation Code, as amended by this Article, and Section 371.105, Transportation Code, as added by this Article, apply only to a comprehensive development agreement entered into on or after the effective date of this Act.

(b) A comprehensive development agreement entered into before the effective date of this Act is governed by the law in effect on the day the agreement was finalized, and the former

SECTION 4.10. Same as House version.

Same as House version.

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law is continued in effect for that purpose.

SECTION 2.24. (a) Section 371.101, Transportation Code, as amended by this Act, does not apply to a comprehensive development agreement for a project on the IH 69 corridor in Bowie County.

(b) A project described by this section is governed by Section 371.101, Transportation Code, as that section existed immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 26.07 and SECTION 26.08 (full text below)

Same as Senate version.

SECTION 26.07. (a) Section 371.101, Transportation Code, as amended by this article, does not apply to a comprehensive development agreement for:

- (1) the DFW Connector project in Tarrant and Dallas Counties (State Highway 114 from State Highway 114L Business to east of International Parkway and State Highway 121 from north of FM 2499 to south of State Highway 360);
- (2) the North Tarrant Express project in Tarrant and Dallas Counties (IH 820 and State Highway 121/State Highway 183 from IH 35W to State Highway 161, IH 820 east from State Highway 121/State Highway 183 to Randol Mill Road, and IH 35W from IH 30 to State Highway 170);
- (3) the IH 635 managed lanes project in Dallas County (IH 635 from east of Luna Road to Greenville Avenue and IH 35E from south of the Loop 12/IH 35E split to south of Valwood Parkway);
- (4) the Loop 9 project in Dallas County;
- (5) a project located south of Refugio County on the ISTEA High Priority Corridor identified in Sections 1105(c)(18) and (20) of the Intermodal Surface Transportation Efficiency Act of 1991 (Pub. L. No. 102-240), as amended by Section 1211 of the Transportation Equity Act for the 21st Century (Pub. L. No. 105-178, as amended by Title IX, Pub. L. No. 105-206), if the project is part of the highway corridor designated by those laws;
- (6) the following projects to be developed in connection with

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the projects described under Subdivision (5):
(A) the Corpus Christi Southside Mobility Corridor;
(B) the State Highway 358 managed lanes project and the State Highway 286 managed lanes project in Nueces County;
and
(C) the State Highway 550 spur project and the West Loop project in Cameron County; or
(7) a project on the IH 69 corridor in Bowie County.
(b) A project described by this section is governed by Section 371.101, Transportation Code, as it existed immediately before the effective date of this article, and the former law is continued in effect for that purpose.

SECTION 26.08. The change in law made by this Act to Section 223.208, Transportation Code, does not apply to a project described in Section 26.07 of this article. A project described in that section is governed by Section 223.208, Transportation Code, as it existed immediately before the effective date of this article, and that law is continued in effect for that purpose.

SECTION 2.25. Section 371.101, Transportation Code, as added by Chapter 264 (S.B. No. 792), Acts of the 80th Legislature, Regular Session, 2007, does not apply to a comprehensive development agreement for:

(1) a project located south of Refugio County on the ISTEAA High Priority Corridor identified in Sections 1105(c)(18) and (20) of the Intermodal Surface Transportation Efficiency Act of 1991 (Pub. L. No. 102-240), as amended by Section 1211 of the Transportation Equity Act for the 21st Century (Pub. L.

SECTION 26.07 (see row above for full text)

Same as Senate version.

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No. 105-178, as amended by Title IX, Pub. L. No. 105-206), if the project remains in a highway corridor designated by those laws; or

(2) a project associated with a project under Subdivision (1), including:

(A) the Corpus Christi Southside Mobility Corridor;

(B) the State Highway 358 managed lanes project and the State Highway 286 managed lanes project in Nueces County; and

(C) the State Highway 550 spur project and the West Loop project in Cameron County.

SECTION 2.26. Chapter 472, Transportation Code, is amended by adding a new section 472.01355 to require at least 50 percent of the board of a metropolitan planning organization that serves a county with a population of 3.3 million or more to be elected officials from within the MPO boundaries, in order for the MPO to be eligible for receive funds from the state for transportation projects.

(House 2nd reading Floor Amendment 146 by S. Turner)

SECTION _____. Chapter 472, Transportation Code, is amended by adding a new section 472.01366 to authorize a metropolitan planning organization serving a county with a population of 3.3 million or more to designate one or more non-elected officials to serve as a voting member of the policy board. Authorizes an MPO to including as voting members of the policy board transportation authorities or agencies serving the MPO area regardless of whether the authorities are under the jurisdiction of a city or county represented by the MPO.

No equivalent provision.

Same as Senate version.

No equivalent provision.

Same as Senate version.

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(House 2nd reading Floor Amendment 146 by S. Turner)

ARTICLE 2A. INSPECTOR GENERAL

No equivalent provision.

Same as Senate version.

SECTION 2A.01. Chapter 201, Transportation Code, is amended by adding Subchapter F-1 to read as follows:

No equivalent provision.

Same as Senate version.

SUBCHAPTER F-1. INSPECTOR GENERAL

Requires the Commission to appoint an inspector general who reports to the Commission. Requires the inspector general to audit, evaluate, study, and identify certain functions at the department, including its financial condition and the efficiency of its business and administrative practices. Adds a temporary provision, set to expire August 31, 2013, to require the legislative oversight committee on transportation to appoint the inspector general and provides that if the appointment by the Committee is determined to be unconstitutional, the Commission is required to appoint the inspector general from a list provided by the Committee. Includes provisions for the cooperation and coordination between the inspector general and state auditor's office.

SECTION 2A.02. The Texas Transportation Commission or the Transportation Legislative Oversight Committee, as applicable, shall appoint an inspector general as required by Section 201.451, Transportation Code, as added by this Act, not later than December 1, 2009.

No equivalent provision.

Same as Senate version.

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ARTICLE 3. PUBLIC INVOLVEMENT AND COMPLAINTS

Same as House version.

Same as House version.

No equivalent provision.

SECTION 3.01. Subchapter H, Chapter 201, Transportation Code, is amended by adding Section 201.605 to require the Commission, by rule, to provide for notice to owners of adjoining property and affected local governments and public officials and provide an opportunity for comment on a state highway project. Requires TxDOT to hold or provide the opportunity for one or more public hearings for any transportation project owned or operated by TxDOT that meets general criteria. Sets out requirements for the public hearing.

Same as Senate version, but change the effective date of the rules to January 2010.

Senate Floor Amendment 1, Item 6, by Hegar

SECTION 3.01. Section 201.801, Transportation Code, is amended to update the Sunset across-the-board language on complaints. Requires each division and district to establish a process to act on complaints filed with the Department. Requires the Department to develop a method for analyzing the sources and types of complaints and violations and use this information as a management tool. Requires the information to be reported monthly to the division directors and office directors and quarterly to the commission.

SECTION 3.02. Same as House version.

Same as House version.

SECTION 3.02. Subchapter J, Chapter 201, Transportation Code, is amended to require the Department to develop and implement a public involvement policy to guide and

SECTION 3.03. Same as House version.

Same as House version.

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encourage public involvement.

SECTION 3.03. (a) Section 228.004, Transportation Code, is amended to read as follows:

Sec. 228.004. ~~[PROMOTION—OF]~~ TOLL PROJECT INFORMATION. (a) The department may, notwithstanding Chapter 2113, Government Code, engage in marketing, advertising, and other activities to provide information relating to the status of pending or ongoing ~~[promote the development and use of]~~ toll projects and may enter into contracts or agreements necessary to procure marketing, advertising, or informational ~~[other promotional]~~ services from outside service providers.

(b) This section does not authorize the department to engage in marketing, advertising, or other activities for the purpose of influencing public opinion about the use of toll roads or the use of tolls as a financial mechanism.

(b) The change in law made by this section applies only to a contract or agreement entered into or renewed under Section 228.004, Transportation Code, as amended by this section, on or after the effective date of this Act. A contract or agreement entered into or renewed under that section before the effective date of this Act is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

Note: This section is repealed in SECTION 30.04 of the House Version (below)

SECTION 3.04. Section 228.201, Transportation Code, is

SECTION 1.21. Same as House version except replaces the word “ongoing” with “operating”

Do not include either version. HB 2142 passed.

SECTION 1.28. (a) Section 228.201, Transportation Code, is

Do not include either version.

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amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) ~~The [Except as provided by Section 228.2015, the]~~ department may not operate a nontolled state highway or a segment of a nontolled state highway as a toll project, and may not transfer a highway or segment to another entity for operation as a toll project, unless:

(1) ~~[the commission by order designated the highway or segment as a toll project before the contract to construct the highway or segment was awarded;~~

~~[(2)]~~ the highway or segment was open to traffic as a turnpike project on or before September 1, 2005;

(2) ~~[(3)]~~ the project was designated as a toll project in a plan or program of a metropolitan planning organization on or before September 1, 2005 which included the planned future extension of the Dallas North Tollway in Grayson County;

(3) ~~[(4)]~~ the highway ~~[or segment]~~ is reconstructed so that the number of nontolled lanes on the highway ~~[or segment]~~ is greater than or equal to the number in existence before the reconstruction; or

(4) ~~[(5)]~~ ~~a facility is constructed adjacent to the highway or segment so that the number of nontolled lanes on the converted highway or segment and the adjacent facility together is greater than or equal to the number in existence on the converted highway or segment before the conversion;~~

(5) ~~[(6)]~~ subject to Subsection (b), the highway or segment was open to traffic as a high-occupancy vehicle lane on May 1, 2005~~[-or~~

~~[(7)]~~ the commission converts the highway or segment to a toll facility by:

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amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) ~~The [Except as provided by Section 228.2015, the]~~ department may not operate a nontolled state highway or a segment of a nontolled state highway as a toll project, and may not transfer a highway or segment to another entity for operation as a toll project, unless:

(1) the commission by order designated the highway or segment as a toll project before the contract to construct the highway or segment was awarded;

(2) the highway or segment was open to traffic as a turnpike project on or before September 1, 2005;

(3) the project was designated as a toll project in a plan or program of a metropolitan planning organization on or before September 1, 2005;

(4) the highway or segment is reconstructed so that the number of nontolled lanes on the highway or segment is greater than or equal to the number in existence before the reconstruction;

(5) a facility that has access, function, and control devices similar to the converted highway or segment before conversion is constructed adjacent to the highway or segment so that the number of nontolled lanes on the converted highway or segment and the adjacent facility together is greater than or equal to the number in existence on the converted highway or segment before the conversion; or

(6) subject to Subsection (b), the highway or segment was open to traffic as a high-occupancy vehicle lane on May 1, 2005~~[-or~~

~~[(7)]~~ the commission converts the highway or segment to a toll

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~~[(A) making the determination required by Section 228.202;~~
~~[(B) conducting the hearing required by Section 228.203;~~
~~and~~
~~[(C) obtaining county and voter approval as required by~~
~~Sections 228.207 and 228.208].~~
(a-1) Subsection (a) does not apply to a port of entry, as
defined by Section 621.001.

SECTION 3.05. Repeals the following Sections in Transportation Code Chapter 228 (State Highway Toll Projects): 228.202 (Commission Determination), 228.203 (Public Hearing), 228.207 (County and Voter Approval), and 228.208 (Election to Approve Conversion).

No equivalent provision.

facility by:
~~[(A) making the determination required by Section 228.202;~~
~~[(B) conducting the hearing required by Section 228.203; and~~
~~[(C) obtaining county and voter approval as required by~~
~~Sections 228.207 and 228.208].~~
(a-1) Subsection (a) does not apply to a port of entry, as
defined by Section 621.001.

(b) Sections 228.202, 228.203, 228.207, and 228.208, Transportation Code, are repealed.

(c) The change in law made by this Act to Section 228.201(a)(5), Transportation Code, does not apply to:

- (1) the State Highway 130, Segments 5 and 6, project in Travis, Caldwell, and Guadalupe Counties;
- (2) the DFW Connector project in Tarrant and Dallas Counties (State Highway 114 from State Highway 114L Business to east of International Parkway and State Highway 121 from north of FM 2499 to south of State Highway 360);
- (3) the North Tarrant Express project in Tarrant and Dallas Counties (IH 820 and State Highway 121/State Highway 183 from IH 35W to State Highway 161, IH 820 east from State Highway 121/State Highway 183 to Randol Mill Road, and IH 35W from IH 30 to State Highway 170);
- (4) the IH 635 managed lanes project in Dallas County (IH 635 from east of Luna Road to Greenville Avenue and IH 35E

Do not include either version.

Do not include either version.

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SECTION 3.06. The change in law made by this Act to Subchapter E, Chapter 228, Transportation Code, applies only to a contract for the construction of a highway or segment of a highway that the Texas Department of Transportation enters into on or after the effective date of this Act. A contract for the construction of a highway or segment of a highway entered into before the effective date of this Act is governed by the law in effect on the date the contract was entered into, and that law is continued in effect for that purpose.

No equivalent provision

SECTION 3.07. Section 228.004, Transportation Code, is amended to read as follows:

Sec. 228.004. ~~[PROMOTION OF]~~ TOLL PROJECT INFORMATION. (a) The department may, notwithstanding Chapter 2113, Government Code, engage in ~~[marketing,]~~ advertising[,] and other activities to provide information relating to pending or operating ~~[promote the development and use of]~~ toll projects, including providing information concerning the methods of paying and collecting tolls, and may enter into contracts or agreements necessary to procure

from south of the Loop 12/IH 35E split to south of Valwood Parkway); or
(5) the U.S. Highway 290 project from east of U.S. Highway 183 to east of Farm-to-Market Road 734 in Travis County.

(d) A project described by Subsection (c) of this section is governed by Subchapter E, Chapter 228, Transportation Code, as that subchapter existed immediately before the effective date of this Act, and that subchapter is continued in effect for that purpose.

SECTION 3.04 - Repeals Transportation Code Chapter 203 (Modernization of State Highways; Controlled Access Highways); Subchapter B (Public Hearing and Comment)

Section 228.004, Transportation Code is amended in the Senate Version SECTION 1.21 (above)

Do not include either version.

Same as Senate version.

Do not include either version. SB 384 passed.

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[marketing,] advertising[;] or informational [other promotional] services from outside service providers.

(b) This section does not authorize the department to engage in advertising or other activities for the purpose of influencing public opinion about the use of toll roads or the use of tolls as a financial mechanism.

Notes: the same section of Transportation Code is also amended in the House version SECTION 3.03 (above)

The section is repealed in SECTION 30.04 of the House Version (below)

SECTION 3.08. The change in law made by this Act applies only to a contract or agreement entered into or renewed under Section 228.004, Transportation Code, on or after the effective date of this Act. A contract or agreement entered into or renewed under that section before the effective date of this Act is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

SECTION 3.09. Section 228.012(b), Transportation Code, is amended to provide that, instead of assigning the responsibility for distributing funds in the subaccount to an MPO, TxDOT may enter into an agreement with a council of governments or similar planning agency for that entity to receive, manage, and distribute the money to entities in the region.

SECTION 1.21 (part) Same as House version

Do not include either version.

No equivalent provision.

Same as Senate version.

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ARTICLE 4. CONTRACTING FUNCTIONS

No equivalent provision.

SECTION 4.01. Amends Subchapter A, Chapter 223, Transportation Code, by adding. Section 223.017.

Authorizes TxDOT to enter into a design-build contract for nontolled highway projects, but makes these modifications to the introduced version:

- Instead of a best-value procurement, generally follows a qualifications-based procurement process by requiring the procurements to be consistent with the design-build procedures under the Local Government Code, as passed last session.
- Specifies that TxDOT funds spent on design-build contracts for nontolled highway projects may not be counted toward satisfying TxDOT's statutory spending requirement for engineering and design contracts under Section 223.041, Transportation Code.

No equivalent provision.

ARTICLE 4. CONTRACTING FUNCTIONS

SECTION 4.01. Amends Section 223.002, Transportation Code, to remove the provision that requires TxDOT to publish notice of the time and place for opening bids and awarding contracts for construction and maintenance highway projects. Allows TxDOT to determine by rule the most effective method for providing the notice.

SECTION 4.03. Amends Sections 223.201(a) and (g), Transportation Code.

SECTION 4.04. Amends Section 223.203(e-2), Transportation Code.

SECTION 4.06. Amends Section 223.208(e), Transportation Code.

Amends statute to open use of CDAs not only to tolled roads but also to traditional state highways. Design-build is currently allowed for CDAs for tolled roads, so extending CDAs to traditional highway projects also allows design-build to be used for them.

Senate Floor Amendment 1, Section 7, Hegar
Senate Floor Amendment 1, Section 9, Hegar

SECTION 4.11. The change in law made by this article to

Same as House version.

Same as Senate version.

Same as Senate version, but in SECTION 4.03, delete the reference to Section 227.001 in Subsection (2) and add the following language as the last Subsection of Section 223.201, Transportation Code:

() Notwithstanding any other law to the contrary, (1) the department's authority to enter into a comprehensive development agreement and any related facility agreement, whether under this section or any other law, shall be limited to highway, road and rail projects, and in no event shall be deemed to extend to projects involving public utilities or any other facility that is not a highway, road or rail facility; and (2) except in connection with any existing rights granted to a private party with respect to the SH 130 project, the department may not charge any fee or grant to a private entity the right to charge or collect any fee in connection with a comprehensive development agreement or any related agreement pursuant to Chapter 227 or any successor law in connection with any facility that is not a highway, road or rail facility, including a public utility facility.

Similar to Senate version. Replace with the following

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SECTION 4.02. Repeals Section 223.105, Transportation Code (dealing with notification of the commission by the director regarding the award of an emergency highway improvement contract).

No equivalent provision.

Section 223.201(a), Transportation Code, does not apply to a comprehensive development agreement entered into by the Texas Department of Transportation under Section 227.023, Transportation Code, before the effective date of this Act. A comprehensive development agreement entered into under Section 227.023, Transportation Code, before the effective date of this Act is governed by the law in effect on the date the agreement was entered into, and the former law is continued in effect for that purpose.

Senate Floor Amendment 1, Section 10, by Hegar

No equivalent provision.

SECTION 4.05. Section 223.203(m), Transportation Code, is amended to read as follows:

(m) The department may pay an unsuccessful private entity that submits a responsive proposal in response to a request for detailed proposals under Subsection (f) a stipulated amount in exchange for the work product contained in that proposal. A stipulated amount must be stated in the request for proposals and may not exceed the value of any work product contained in the proposal that can, as determined by the department, be used by the department in the performance of its functions. The use by the department of any design element contained in an unsuccessful proposal is subject to the private entity's acceptance of the stipulated amount, is at the sole risk and discretion of the department, and does not confer

language:

SECTION 4.11. The changes in law made by this Act to Sections 223.201(a), 223.208(e), and 223.208(f), Transportation Code, do not apply to the State Highway 130, Segments 5 and 6 project. An agreement entered into for that project is governed by the law in effect on the date the agreement was entered into, and the former law is continued in effect for that purpose.

Same as Senate version.

SECTION 4.05. Section 223.203(m), Transportation Code, is amended to read as follows:

(m) The department may pay an unsuccessful private entity that submits a responsive proposal in response to a request for detailed proposals under Subsection (f) a stipulated amount in exchange for the work product contained in that proposal. A stipulated amount must be stated in the request for proposals and may not exceed the lesser of one-half of one percent of the contract amount and the value of any work product contained in the proposal that can, as determined by the department, be used by the department in the performance of its functions. The use by the department of any design element contained in an unsuccessful proposal is subject to the private entity's acceptance of the stipulated amount, is at the

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liability on the recipient of the stipulated amount under this section. After acceptance and payment of the stipulated amount:

(1) the department owns with the unsuccessful proposer jointly the rights to, and may make use of any work product contained in, the proposal, including the technologies, techniques, methods, processes, ideas, and information contained in the project design; and

(2) the use by the unsuccessful proposer of any portion of the work product contained in the proposal is at the sole risk of the unsuccessful proposer and does not confer liability on the department.

SECTION 4.02. Amends Section 223.205, Transportation Code by amending Subsections (a), (b), (d), (f), and (g) and adding Subsections (h) and (i). Provides that a performance and payment bond, or alternative form of security, is only required to cover construction work and not, for example, operations and maintenance. Authorizes, as an alternative form of security, outstanding debt and equity contributed by the private entity that will not be recoverable in the event of termination for developer default. Requires the Commission to annually prepare a report on highway projects for which a CDA has been entered into with a private entity.

SECTION 4.07. Amends Section 223.206(b), Transportation Code.

Specifies that, instead of the private entity performing

sole risk and discretion of the department, and does not confer liability on the recipient of the stipulated amount under this section. After acceptance and payment of the stipulated amount:

(1) the department owns with the unsuccessful proposer jointly the rights to, and may make use of any work product contained in, the proposal, including the technologies, techniques, methods, processes, ideas, and information contained in the project design; and

(2) the use by the unsuccessful proposer of any portion of the work product contained in the proposal is at the sole risk of the unsuccessful proposer and does not confer liability on the department.

Same as Senate version.

Same as Senate version.

No equivalent provision.

No equivalent provision.

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necessary maintenance on a project before its return to the state, the private entity may pay TxDOT for needed maintenance at the project's end, subject to TxDOT's agreement.

SECTION 4.03. (a) Amends Subchapter E, Chapter 223, Transportation Code, by adding Section 223.211.

Sec. 223.211. APPROVAL AND CERTIFICATION. Requires that a comprehensive development agreement must be:

- reviewed by the attorney general for legal sufficiency and signed, if approved;
- reviewed by the comptroller for financial viability and signed and certified by the comptroller if approved; and
- signed by the Commission.

Also requires that, before entering into a comprehensive development agreement, a toll project entity must provide the state auditor with the traffic and revenue report for review and comment.

House Amendment 59 (Leibowitz); House Amendment 60 (Isett)

SECTION 4.04. Amends Section 2262.003, Government Code, by adding Subsection (c), which removes an exemption for TxDOT so that the agency must include in its contracts a provision that allows the State Auditor to audit or

No equivalent provision.

No equivalent provision.

Similar to House version, but replace with the following language:

SECTION 4.03. (a) Subchapter E, Chapter 223, Transportation Code, is amended by adding Section 223.211 to read as follows:

Sec. 223.211. APPROVAL AND CERTIFICATION. A comprehensive development agreement, including a facility agreement under a comprehensive development agreement, under which a private entity will operate a toll project or be entitled to receive revenue from the project must be:

- (1) reviewed by the attorney general for legal sufficiency under Section 371.051, as added by Chapter 264 (S.B. 792), Acts of the 80th Legislature, Regular Session, 2007,
- (2) reviewed by the comptroller for financial viability and signed and certified by the comptroller if approved; and
- (3) signed by the chair of the commission.

(b) The change in law made by Section 223.211, Transportation Code, as added by this section, applies only to a comprehensive development agreement entered into on or after the effective date of this Act.

Same as Senate version.

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investigate any contractor or associated subcontractor receiving funds through the contract.

House Amendment 65 (Leibowitz)

SECTION 4.05. Amends Subchapter E, Chapter 223, Transportation Code.

Specifies that a toll project entity may not enter into a CDA for a toll project that contains a provision:

- limiting or prohibiting construction, maintenance, or other types of road-related work on a nontolled highway; or
- requiring a toll project entity to reimburse a private entity for loss of toll revenue due to the construction of a nontolled highway.

House Amendment 70 (Farrar), as amended by third reading House Amendment 1(Dunnam/Phillips)

SECTION 4.06. Section 504.401(d), Transportation Code, is amended to read as follows:

(d) In this section, "state official" means:

- (1) a member of the legislature;
- (2) the governor;
- (3) the lieutenant governor;
- (4) a justice of the supreme court;
- (5) a judge of the court of criminal appeals;
- (6) the attorney general;
- (7) the commissioner of the General Land

No equivalent provision.

No equivalent provision.

Similar to House version but with the following changes: Subchapter E, Chapter 223, Transportation Code, is amended by adding Section 223.213 to read as follows:

Sec. 223.213. PROHIBITION AGAINST NONCOMPETITION PROVISIONS. [Notwithstanding] Except as provided by Section 371.103(b), the department may not enter into a comprehensive development agreement for a toll project, including a managed lane, that contains a provision that limits or prohibits the construction, reconstruction, expansion, rehabilitation, operation, or maintenance of a nontolled highway by the department or a provision that requires the department to reimburse a private entity for the loss of toll revenue attributable to the construction of a nontolled highway.

Same as Senate version.

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Office;

- (8) the comptroller;
- (9) a member of the Railroad Commission of

Texas;

- (10) the commissioner of agriculture;
- (11) the commissioners of transportation;
- (12) the secretary of state; or
- (13) [~~(12)~~] a member of the State Board of

Education.

ARTICLE 5. REGULATION OF MOTOR VEHICLE DEALERS, SALVAGE VEHICLE DEALERS, AND HOUSEHOLD GOODS CARRIERS

Same as House version.

Same as House version.

SECTION 5.01. Section 643.153, Transportation Code, is amended to provide a process for making available criminal history information about employees of household goods carriers and to provide for refunds as part of an agreed order of complaints involving motor carriers transporting household goods

Same as House version.

Same as House version.

SECTION 5.02. Section 643.251(b), Transportation Code, is amended to remove the total penalty cap of \$30,000 for multiple violations knowingly committed by motor carriers.

Same as House version.

Same as House version.

SECTION 5.03. Subchapter F, Chapter 643, Transportation Code, is amended to provide for the summary suspension of the registration of a motor carrier transporting household and cease and desist orders to prohibit unregistered activity.

Same as House version.

Same as House version.

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SECTION 5.04. Section 52.092(c), Election Code, is amended to provide for the order of the elected commissioners of transportation on the ballot. *(Also amended in SECTION 1.05, above)*

No equivalent provision.

Same as Senate version.

SECTION 5.05. Section 2301.654, Occupations Code, is amended to provide for specialized training if a suspension of a license is probated.

SECTION 5.04. Same as House version.

Same as House version.

SECTION 5.06. Subchapter Q, Chapter 2301, and Subchapter H, Chapter 2302, Occupations Code, are amended to add administrative penalty and refund authority to the regulation of motor vehicle dealers and administrative penalty authority to the regulation of salvage vehicle dealers.

SECTIONS 5.05 and 5.06. Subchapter Q, Chapter 2301, Occupations Code, is amended to clarify the authority to assess “civil” penalties is actually “administrative” penalties to reflect current authority. Contains the same provision as in the House version regarding refund authority in the regulation of motor vehicle dealers and administrative penalty authority in regulating salvage vehicle dealers.

Same as Senate version.

ARTICLE 6. REGULATION OF OUTDOOR ADVERTISING

ARTICLE 6. REGULATION OF OUTDOOR ADVERTISING

SECTIONS 6.01 and 6.02 amend Chapter 391, Transportation Code, to provide for the Texas Highway Beautification Fund Account in the General Revenue Fund to administer both the regulation of outdoor advertising on federal-aid roads and the regulation on rural roads and requires the Department to establish standard procedures for complaints relating to the regulation of outdoor advertising signs on federal-aid and rural roads.

SECTIONS 6.01 and 6.02. Same as House version but clarifies the department’s ability to provide complaint information on its website, and specifies that information files on complaints must be kept for at least 10 years.

Same as House version.

SECTION 6.03. Section 391.099(c), Transportation Code, is

No equivalent provision.

Same as House version.

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amended to require the Transportation Commission to ensure signs are placed in designated areas no more than 90 days after the eligible facility signs a contract. Authorizes TxDOT to erect General Services signs upon request of owners of recreational vehicle or camping areas, instead of a tourist-oriented directional sign. Requires the Commission to create rules as to the viable alternatives to the current tourist-oriented directional sign program pricing methodology to include actual visitor counts or cost plus maintenance fees.
2nd reading amendment 67 by Flynn (HB 3197)

SECTION 6.04. Subchapter A, Chapter 391, Transportation Code, is amended by adding Section 391.007 to specify that if the department revokes or denies an outdoor advertising license or permit, or assesses an administrative penalty related to outdoor advertising regulation, a person may request an administrative hearing to appeal the decision. Specifies that the State Office of Administrative Hearings will conduct these hearings, make findings of fact and conclusions of law, and promptly issue a decision to the commission.

SECTION 6.05. Subchapter B, Chapter 391, Transportation Code, is amended by adding Section 391.0331 to requires municipalities to pay just compensation for the removal of an outdoor advertising sign if the sign is required to be removed because of a road project and the Department's rules would allow relocation, but the municipality prohibits the relocation.

SECTION 6.06 to 6.08. Sections 391.035(c), 391.0355, and

No equivalent provision.

No equivalent provision.

SECTION 6.03 to 6.05. Same as House version.

Same as House version.

Same as Senate version.

Same as House version.

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391.063, Transportation Code, are amended to clarify the department's authority to assess administrative penalties in its regulation of outdoor advertising on federal-aid roads and to provide for deposit of penalties to the Texas highway beautification fund account. Also provides for standardizing the licensing fee by the number of signs on both federal-aid roads and rural roads.

SECTION 6.09. Section 391.064, Transportation Code, is amended to clarify that a surety bond filed for outdoor advertising on federal-aid roads satisfies the surety requirement for rural roads.

SECTION 6.10 to 6.13. Sections 391.065(b), 391.066, 391.0661, and 391.254, Transportation Code, are amended to provide for standardizing the regulation of outdoor advertising along federal-aid and rural roads by matching the license requirements and standard enforcement provisions. Authorizes outdoor advertisers to operate on both road systems with a single license, and authorizes the Department to deny license renewal if a license holder has not complied with permit requirements on either type of road and requires enforcement action to be related to the nature and seriousness of the violation. Clarifies that civil penalties will be deposited into the Texas highway beautification fund account.

SECTION 6.14 to 6.15. Sections 394.005 and 394.006, Transportation Code, are amended to provide for fees to be deposited into the Texas beautification fund account, and to provide a comparable complaint process for outdoor

No equivalent provision.

SECTION 6.06 to 6.09. Similar to House version, but does not contain language specifying that enforcement action is to be related to the nature and seriousness of the violation.

SECTION 6.10. Same as House version.

Same as House version.

Same as House version.

Same as House version.

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advertising on rural roads the same as for federal-aid roads.

SECTION 6.16. Subchapter A, Chapter 394, Transportation Code, is amended by adding Section 394.007 to provide for municipalities to pay just compensation for the removal of an outdoor advertising sign if the sign is required to be removed because of a road project and the Department's rules would allow relocation, but the municipality prohibits the relocation.

SECTIONS 6.17 to 6.22 Subchapter B, Chapter 394, Transportation Code, is amended to provide for standardizing the regulation of outdoor along federal-aid and rural roads by matching the license requirements and standard enforcement provisions. Authorizes outdoor advertisers to operate on both road systems with a single license, and authorizes the Department to take enforcement action related to the nature and seriousness of the violation. Clarifies that fees and penalties will be deposited into the Texas highway beautification fund account. Eliminates TxDOT's Board of Variance for hearing appeals of rural road sign permit denials, and instead authorizes the executive director or designee to grant variances from rural road sign standards. Provides for administrative hearings at SOAH.

SECTION 6.23. Subtitle H, Title 6, Transportation Code, is amended by adding Chapter 398 to specify that the rights associated with an off-premise sign that is lawfully in existence but no longer complies with current laws and regulations (a "non-conforming sign"), vest in the owner of

No equivalent provision.

SECTIONS 6.12 to 6.17 . Similar to House version, but does not contain language specifying that enforcement action is to be related to the nature and seriousness of the violation or providing for administrative hearings at SOAH.

No equivalent provision.

Same as Senate version.

Same as House version.

Same as Senate version.

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the sign.

SECTION 6.24. Section 391.065(c), Transportation Code, is repealed to remove outdated provision.

SECTION 6.25. Chapter 391, Transportation Code, is amended by adding Section 391.2521 to prohibit outdoor advertising that advertises a sexually-oriented business that is adjacent or visible from certain highways near the Texas-Oklahoma border. *(2nd reading amendment 138 by Phil King)*

SECTION 6.26. Subtitle H, Title 6, Transportation Code, is amended by adding Chapter 399 to require TxDOT to establish an outdoor advertising advisory committee to provide advice, information, and recommendations to the Commission regarding rules and regulations related to outdoor signs. *(2nd reading amendment 139 by Phillips and amendments-to-the-amendment 140 and 141)*

ARTICLE 7. GREEN RIBBON PROJECT

SECTIONS 7.01. Chapter 201, Transportation Code, is amended to require TxDOT, for each contract for a highway in an air quality nonattainment or near-nonattainment area, to allocate one-half of one percent of the total amount of the contract for landscaping improvements. Specifies the landscaping improvements that may be included.

SECTION 7.02. Chapter 451, Transportation Code, is

SECTION 6.17. Same as House version.

No equivalent provision.

No equivalent provision.

No equivalent provision.

No equivalent provision.

Same as House version.

Same as Senate version.

Same as House version.

Same as House version.

Same as Senate version.

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amended to provide for additional powers of a rapid transit authority.

ARTICLE 8. TEXAS DEPARTMENT OF MOTOR VEHICLES

PART 1. GENERAL PROVISIONS

SECTION 8.1.01. Title 7, Transportation Code, is amended by adding Subtitle M to transfer all duties related to Vehicle Titles and Registration (VTR), Motor Vehicle Division (MVD), and Motor Carrier Division (MCD), from TxDOT to a newly created Department of Motor Vehicles

Requires the Board to establish separate advisory committees for VTR, MVD and MCD. Appointments must come from a list of persons provided by the executive director and members must be knowledgeable and represent a broad range of viewpoints. The MVD advisory committee must include a motor vehicle manufacturer and a recreational vehicle representative. The MCD advisory committee must include a motor transportation industry representative.

Provides for 2015 Sunset date.

Creates a nine-member oversight body comprising:

- three motor vehicle dealers, two of whom representing franchised dealers of different classes and the other representing independent dealers;
- one manufacturer or distributor representative

ARTICLE 8. TEXAS DEPARTMENT OF MOTOR VEHICLES

PART 1. GENERAL PROVISIONS

SECTION 8.1.01. Title 7, Transportation Code, is amended by adding Subtitle M to transfer VTR, MVD, ABTPA, and functions relating to motor carrier registration and enforcement to a new Department of Motor Vehicles. General and special provisions and exceptions for vehicle size and weight and oversize/overweight permitting would remain at TxDOT.

Provides for separate advisory committees for VTR, MVD, and MCD as in the House version but also requires at least one-half of the membership of advisory committees to be representatives of general public and defines public representation.

Same as House version.

Same as House version.

Do not include either version. HB 3097 passed.

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licensed under motor vehicle regulations;

- one representative of the motor carrier industry;
- one county tax assessor-collector;
- one representative of a law enforcement agency of a county or municipality; and
- two public members

Contains standard Sunset provisions related to eligibility of public members; conflicts of interest; grounds for removal; board member training; and Governor appointment of presiding officer. Provides for staggering the Board members' terms, powers of presiding officer, and specify that members are not entitled to compensation, but are entitled to reimbursement for expenses. Requires quarterly Board meetings.

No equivalent provision.

No equivalent provision.

Applies slightly different language for many standard Sunset provisions, including eligibility requirements for public member to all prospective Board members and governor appointment of the board chair. Specifies duties related to interactions with the governor on matters related to agency oversight, organizational structure, and maximizing federal funding for transportation; requires quarterly board meetings and 7-day advance delivery of the agenda; directs the board to report to the Legislature on statutory changes to improve the operation of the department and directing the board chair to report to the legislative leadership on legislative recommendations by the board related to the operations of the department; entitles board members to compensation or reimbursement for travel expenses if not compensated; and provides for grounds for removal of board members.

Provides for the Attorney General to defend the board, department, or employees for official acts or omissions.

Provides for members to disclose to the executive director and to recuse themselves from deliberations and Board action if they have a substantial financial interest in an entity with an interest in the matter. Defines a substantial financial interest

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No equivalent provision.

Contains standard Sunset provisions related to use of technology; use of negotiated rulemaking and alternative dispute resolution; separation of policymaking and staff functions; policies for public comment; a system for acting on complaints. The bill also provides the Board with authority to adopt rules necessary to implement the powers of the new Department.

No equivalent provision.

No equivalent provision

Makes the Board and employees of the Department subject to general code of ethics and standards of conduct applicable to state agencies.

if the person is an employee or officer or owns more than a five percent interest in the entity. Requires the department to requires training for board members.

Provides for the executive director to appoint deputies, assistants, and other personnel as needed to carry out powers of the Department and requires personnel to have professional and administrative experience.

Contains standard Sunset provisions relating to separating policymaking and staff functions and public comment.

Contains standard language formerly applied by the Sunset Commission relating to EEO policies, standards of conduct for employees, career ladders, program access, and deceptive advertising, and program access.

Provides for the Department to adopt rules as necessary and create summary procedures for routine matters that would otherwise be subject to the Administrative Procedure Act.

Requires the department to provide information to board members regarding qualifications and standards of conduct and makes the executive director and employees subject to the state's code of ethics and standards of conduct and other laws

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PART 2. TRANSFER OF DUTIES AND FUNCTIONS OF
THE TEXAS DEPARTMENT OF TRANSPORTATION

Makes conforming changes in the following Subparts and more substantive changes as specifically noted.

SUBPART A. GENERAL PROVISIONS AND
ADMINISTRATION

No equivalent provision.

SUBPART C. CAUSEWAYS, BRIDGES, TUNNELS,
TURNPIKES, FERRIES, AND HIGHWAYS IN CERTAIN
COUNTIES

SUBPART D. CERTIFICATE OF TITLE ACT

SUBPART E. REGISTRATION OF VEHICLES

SECTION 8.2E.03. Sections 502.1725(a), (f), and (g), Transportation Code, are amended to add a county that borders on Mexico that has a population of less than 50,000 and contains at least one federal military base to the authority to impose an additional registration fee, and provides for revenue to go to county treasurer if the county is not included in an RMA.

Second Reading Amendment 149 by Gallego

regulating ethical conduct.

PART 2. TRANSFER OF DUTIES AND FUNCTIONS OF
THE TEXAS DEPARTMENT OF TRANSPORTATION

Makes conforming changes in the following Subparts.

SUBPART A. GENERAL PROVISIONS AND
ADMINISTRATION

SUBPART B. STATE HIGHWAY TOLL PROJECTS

SUBPART C. CAUSEWAYS, BRIDGES, TUNNELS,
TURNPIKES, FERRIES, AND HIGHWAYS IN CERTAIN
COUNTIES

SUBPART D. CERTIFICATE OF TITLE ACT

SUBPART E. REGISTRATION OF VEHICLES

No equivalent provision.

Do not include either version. HB 3097 passed.

Similar to House version, but added new language to House language as follows:

SECTION __. (a) Section 502.1725, Transportation Code, is amended by amending Subsections (a), (d), (e), (f), and (g) and adding Subsections (e-1), (f-1), (i), and (j) to read as follows:

- (a) This section applies only to:
(1) a county:

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(A)~~(1)~~ that borders the United Mexican States;

(B)~~(2)~~ that has a population of more than 150,000 ~~[300,000]~~; and

(C)~~(3)~~ in which the largest municipality has a population of less than 300,000; and

(2) a county that has a population of less than 50,000 that:

(A) borders the United Mexican States; and

(B) contains at least one federal military base.

(d) A fee imposed under this section may take effect only on January 1 of a year. The county must adopt the order and notify the department not later than September 1 of the year preceding the year in which the fee takes effect. A fee imposed under this section is not required to be annually reauthorized and remains in effect until removed as provided by Subsection (e).

(e) Subject to Subsection (e-1), a [A] fee imposed under this section may be removed. The removal may take effect only on January 1 of a year. A county may remove the fee only by:

(1) rescinding the order imposing the fee; and

(2) notifying the department not later than September 1 of the year preceding the year in which the removal takes effect.

(e-1) If the revenue from a fee imposed under this section is pledged or assigned to secure the payment of obligations as provided by Subsection (f-1), the fee may not

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be removed until the obligations secured by the pledge or assignment have been paid or discharged.

(f) The county assessor-collector of a county imposing a fee under this section shall collect the additional fee for a vehicle when other fees imposed under this chapter are collected. The county shall deposit [send] the fee revenue in a special account in the county general fund. Money in the account may be used only for a purpose authorized under Section (7-a), Article VIII, Texas Constitution, and only to contract with:

(1) [tø] the regional mobility authority of the county to promote and maintain a public purpose of the county that involves funding [fund] long-term transportation projects in the county;

(2) a transportation governmental entity designated under Subsection (j) to promote and maintain a public purpose of the county that involves funding long-term transportation projects in the county; or

(3) a public or private entity developing a long-term transportation project in the county under an agreement with the county, the regional mobility authority of the county, or a transportation governmental entity designated under Subsection (j) to promote and maintain a public purpose of the county.

(f-1) Revenue from a fee imposed under this section may be pledged or assigned by the county, the regional mobility authority of the county with which the county contracts under Subsection (f), or a transportation governmental entity with which the county contracts under Subsection (f) to secure the payment of obligations associated

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with the development of long-term transportation projects in the county as provided by Subsection (f).

(g) The department shall collect the additional fee on a vehicle that is owned by a resident of a county imposing a fee under this section and that, under this chapter, must be registered directly with the department. The department shall send all fees collected for a county under this subsection to the county for deposit and use as provided by Subsection (f) or (f-1) [~~regional mobility authority of the county to fund long-term transportation projects in the county~~].

(i) Notwithstanding Subsection (b), the fee imposed under this section by the commissioners court of a county to which this subsection applies may not exceed \$50. This subsection applies only to a county:

(1) that borders the United Mexican States;

(2) that has a population of more than 150,000;

(3) in which the largest municipality has a population of less than 300,000; and

(4) that does not border the Gulf of Mexico.

(j) The department shall designate the governmental entities that serve primarily a transportation function and with which counties may contract under Subsection (f).

(b) This Section takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Section takes effect September 1, 2009.

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SUBPART F. DEALER'S AND MANUFACTURER'S
VEHICLE LICENSE PLATES

No equivalent provision

SUBPART G. MISCELLANEOUS PROVISIONS

SUBPART H. OPERATION OF BICYCLES, MOPEDS,
AND PLAY VEHICLES

SUBPART I. MOTOR VEHICLE SAFETY
RESPONSIBILITY ACT

No equivalent provision.

SUBPART J. GENERAL PROVISIONS RELATING TO
VEHICLE SIZE AND WEIGHT

SECTION 8.2J.03. Subchapter A, Chapter 621,
Transportation Code, is amended to requires DMV to conduct
a joint study with TxDOT regarding oversize and overweight
vehicles.

SUBPART K. SPECIAL PROVISIONS AND EXCEPTIONS
FOR OVERSIZE OR OVERWEIGHT VEHICLES

SUBPART L. PERMITS FOR OVERSIZE OR

SUBPART F. DEALER'S AND MANUFACTURER'S
VEHICLE LICENSE PLATES

SUBPART G. SPECIALTY LICENSE PLATES

SUBPART H. MISCELLANEOUS PROVISIONS

SUBPART I. OPERATION OF BICYCLES, MOPEDS,
AND PLAY VEHICLES

SUBPART J. MOTOR VEHICLE SAFETY
RESPONSIBILITY ACT

SUBPART K. IDENTIFYING MARKINGS ON CERTAIN
COMMERCIAL MOTOR VEHICLES

No equivalent provision

SECTION 1.33. Subchapter A, Chapter 621, Transportation
Code, is amended to require TxDOT to conduct a study
regarding oversize and overweight vehicles.

No equivalent provision.

No equivalent provision.

Do not include either version. HB 3097 passed.

Do not include either version. HB 3097 passed.

Do not include either version. HB 3097 passed.

Do not include either version. HB 3097 passed.

Do not include either version. HB 3097 passed.

Do not include either version. HB 3097 passed.

Do not include either version. HB 3097 passed.

Same as Senate version.

Do not include either version. HB 3097 passed.

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OVERWEIGHT VEHICLES

SUBPART M. IDENTIFYING MARKINGS ON CERTAIN
COMMERCIAL MOTOR VEHICLES

No equivalent provision.

SUBPART N. MOTOR CARRIER REGISTRATION

SUBPART L. MOTOR CARRIER REGISTRATION

SUBPART O. SINGLE STATE REGISTRATION

SUBPART M. SINGLE STATE REGISTRATION

SUBPART P. MOTOR TRANSPORTATION BROKERS

SUBPART N. MOTOR TRANSPORTATION BROKERS

SUBPART Q. FOREIGN COMMERCIAL MOTOR
TRANSPORTATION

SUBPART O. FOREIGN COMMERCIAL MOTOR
TRANSPORTATION

No equivalent provision

SUBPART P. PRIVILEGED PARKING

No equivalent provision.

SUBPART Q. ADMINISTRATIVE ADJUDICATION OF
VEHICLE PARKING AND STOPPING OFFENSES

SUBPART R. ABANDONED MOTOR VEHICLES

SUBPART R. ABANDONED MOTOR VEHICLES

SUBPART S. CONTRACTS FOR ENFORCEMENT OF
CERTAIN ARREST WARRANTS

SUBPART S. CONTRACTS FOR ENFORCEMENT OF
CERTAIN ARREST WARRANTS

SUBPART T. PHOTOGRAPHIC TRAFFIC SIGNAL
ENFORCEMENT SYSTEM

SUBPART T. PHOTOGRAPHIC TRAFFIC SIGNAL
ENFORCEMENT SYSTEM

SUBPART U. SALE OR LEASE OF MOTOR VEHICLES

SUBPART U. SALE OR LEASE OF MOTOR VEHICLES

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SECTION 8.2U.02. Section 2301.005(a), Occupations Code, is amended to add clarifying language regarding references to “board” and “director.”

No equivalent provision.

Do not include either version. HB 3097 passed.

SECTION 8.2U.03. Sections 2301.606(a), (b), and (c), Occupations Code, are amended to clarify the board’s responsibility to conduct hearings and issue final orders rather than the director on Lemon Law cases.

No equivalent provision.

Do not include either version. HB 3097 passed.

SUBPART V. SALVAGE VEHICLE DEALERS

PART 3. CONFORMING AMENDMENTS PERTAINING TO TEXAS DEPARTMENT OF TRANSPORTATION IN OTHER CODES

Do not include either version. HB 3097 passed.

SUBPART I. OCCUPATIONS CODE (in part)

No equivalent provision.

ARTICLE 18. USED AUTOMOTIVE PARTS RECYCLERS

Same as House version.

SECTIONS 18.01 to 18.14 provide for transferring the regulation of automotive parts recyclers to the Texas Department of Licensing and Regulation.

PART 3. CONFORMING AMENDMENTS PERTAINING TO TEXAS DEPARTMENT OF TRANSPORTATION IN OTHER CODES

PART 3. CONFORMING AMENDMENTS PERTAINING TO TEXAS DEPARTMENT OF TRANSPORTATION IN OTHER CODES

Do not include either version. HB 3097 passed.

Makes conforming changes in the following Subparts.

Makes conforming changes in the following Subparts.

SUBPART A. BUSINESS & COMMERCE CODE

SUBPART A. BUSINESS & COMMERCE CODE

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SUBPART B. CODE OF CRIMINAL PROCEDURE

SUBPART C. FAMILY CODE

SUBPART D. FINANCE CODE

SUBPART E. GOVERNMENT CODE

SUBPART F. HEALTH AND SAFETY CODE

SUBPART G. HUMAN RESOURCES CODE

SUBPART H. LOCAL GOVERNMENT CODE

SUBPART I. OCCUPATIONS CODE

SUBPART J. PENAL CODE

SUBPART K. TAX CODE

**PART 4. TRANSFERS OF CERTAIN POWERS, DUTIES,
OBLIGATIONS, AND RIGHTS OF ACTION**

Provides standard transitional language regarding the transfer of powers, duties, obligations as well as personnel, furniture, and equipment from the affected TxDOT divisions to the new department and providing for the orderly transition of

SUBPART B. CODE OF CRIMINAL PROCEDURE

SUBPART C. FAMILY CODE

SUBPART D. FINANCE CODE

SUBPART E. GOVERNMENT CODE

SUBPART F. HEALTH AND SAFETY CODE

SUBPART G. HUMAN RESOURCES CODE

SUBPART H. LOCAL GOVERNMENT CODE

SUBPART I. OCCUPATIONS CODE

SUBPART J. PENAL CODE

SUBPART K. TAX CODE

**ARTICLE 43. TRANSFERS OF CERTAIN POWERS,
DUTIES, OBLIGATIONS AND RIGHTS OF ACTION**

Contains the same transitional language regarding the affected divisions and also includes instructional language specifying that in addition to the positions in the divisions that are transferred to the new department, an estimated 75 other

Do not include either version. HB 3097 passed.

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proceedings, certificates, licenses, and other authorizations and rules to the new department on December 1, 2009. Requires the Transportation Legislative Oversight Committee to oversee the coordination and collaboration between the Texas Department of Transportation and the Texas Department of Motor Vehicles during the transition.

PART 5. APPOINTMENT OF BOARD

Provides for the governor to appoint the members of the board of the Texas Department of Motor Vehicles before December 1, 2009.

No equivalent provision.

No equivalent provision.

support FTEs would also transfer, subject to modification by either agency and limitations in other legislation. Requires the new Department to give first consideration to a TxDOT employee from one of the transferred divisions

ARTICLE 44. APPOINTMENT OF BOARD

Provides for the governor to appoint the members of the board of the Texas Department of Motor Vehicles before October 1, 2009.

**ARTICLE 46. DEPARTMENT OF MOTOR VEHICLES
TRANSITION TEAM**

Provides a transition team to plan and make recommendations for the orderly transition of obligations, property, employees, rights, powers, and duties from TxDOT to the new department.

ARTICLE 47. FINANCIAL AUDIT

Adds a provision requiring the Office of the State Auditor to conduct an initial financial audit, as soon as practicable after the effective date of the bill, to establish financial benchmarks for the Texas Department of Motor Vehicles. requires that the results of the audit be reported to the board of the Texas Department of Motor Vehicles and to the Texas

Do not include either version. HB 3097 passed.

Same as House version.

Same as House version.

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ARTICLE 8A. TOLL COLLECTION AND ENFORCEMENT

SECTIONS 8A.01 to 8A.07. Chapter 228, Transportation Code, is amended to authorize TxDOT to use video billing or other tolling methods to permit the registered owner of a vehicle to pay a toll on a later date. This bill also authorizes TxDOT to enter into an agreement with a governmental or private entity regarding the use of a transponder issued by TxDOT and the corresponding electronic toll collection customer account to pay for parking services offered by the entity. Makes conforming to reflect the new Department of Motor Vehicles. *(2nd Reading Amendment 73 by Phillips)*

Comparable provisions are contained in ARTICLE 27.

ARTICLE 9. RAIL TRANSPORTATION DIVISION

SECTIONS 9.01 and 9.02. Subchapter A, Chapter 91, Transportation Code, is amended to define "division" as the rail transportation division within TxDOT, and specify its, including assuring that rail transportation is an integral part of the Department's planning process; coordinating and overseeing certain rail projects; and developing and planning for improved passenger and freight rail facilities

Transportation Commission.

SECTIONS 1.20 and 1.22 to 1.27. Similar to House version, but contains additional language, repeated in ARTICLE 29, to authorize rental car companies to submit certain electronic information to TxDOT and local tolling entities for the purpose of collecting tolls or the prosecution of an offense for the nonpayment of a toll.

ARTICLE 9. RAIL DIVISION.

SECTIONS 9.01 and 9.02. Subtitle A, Title 5, Transportation Code is amended by adding Chapter 92 to create a rail division instead of rail transportation division. *(Part of Floor Amendment 11, by Carona)*

Include neither provision. Passed in HB 2983.

Same as Senate version

Same as House version. Added Section 92.003, COORDINATION OF STATEWIDE PASSENGER RAIL SYSTEM, from Floor Amendment 11 by Carona.

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SECTION 9.03. Subtitle I, Title 5, Transportation Code, is amended by adding Chapter 175 to create border-region higher-speed rail authorities to finance, construct, maintain, and operate a higher-speed rail system in the Texas-Louisiana border region and the Texas-Mexico border region.

No equivalent provision.

Same as Senate version.

SECTION 9.04. Subchapter O, Chapter 201, Transportation Code, is amended by adding Section 201.979 to create a Rail Relocation Advisory group to advise the department on the implementation of rail relocation and improvement planning and projects. *(2nd reading amendment 75 by McClendon and amendment-to-the-amendment 76)*

No equivalent provision.

Same as Senate version.

No equivalent provision.

SECTION 9.03. Subchapter H, Chapter 201, Transportation Code is amended by adding Sections 201.6013 and 201.6014 to provide for the coordination of planning, construction, operation, and maintenance of a statewide passenger rail system by TxDOT.

Same as House version (SB 1382 passed)

No equivalent provision.

SECTION 9.04. Section 1(1), Chapter 350 (S.B. 1101) Acts of the 71st Legislature, Regular Session, 1989 (Article 6419c), Vernon's Texas Civil Statutes is amended to provide certain reporting requirements in connection with the transportation of hazardous materials by a railroad company. Transfers the reporting requirement to TxDOT instead of the Railroad Commission.

Same as House version.

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ARTICLE 10. ELECTRONIC SIGNS

SECTION 10.01. Chapter 544, Transportation Code, is amended by adding Section 544.013 to require TxDOT to actively manage a system of changeable message signs located on highways to mitigate traffic congestion by providing current information, including information about traffic incidents; weather conditions; road construction; and alternative routes, and additional information about missing children and senior citizens; and the availability of gas, food, lodging, pharmacy services, or other information relevant during an evacuation or disaster.

ARTICLE 11. AUTOMOBILE BURGLARY AND THEFT PREVENTION AUTHORITY

SECTIONS 11.01 to 11.10 Amend Article 4413(37), Revised Statutes to provides for ABTPA to be transferred to the Governor's Office.

ARTICLE 12. STATE FINANCING OF PUBLIC TRANSPORTATION

ARTICLE 10. ELECTRONIC SIGNS

SECTION 10.01. Similar to House version, but provides for current information to mitigate traffic congestion, including information about traffic incidents; weather conditions; road construction; and alternative routes.

ARTICLE 8. TEXAS DEPARTMENT OF MOTOR VEHICLES

PART 2. TRANSFER OF DUTIES AND FUNCTIONS OF THE TEXAS DEPARTMENT OF TRANSPORTATION

SUBPART V. AUTOMOBILE BURGLARY AND THEFT PREVENTION AUTHORITY

SECTION 8.2V.01 and 8.2V.02 transfers ABTPA to the new department.

No equivalent provision.

Same as Senate version.

Do not include either provision. HB 3097 passed.

Do not include either provision. HB 3097 passed.

Do not include either provision. HB 3097 passed.

Do not include either provision. HB 3097 passed.

Same as House version, with the following changes:
SECTION 12.01. Subchapter A, Chapter 456, Transportation Code, is amended by adding Section 456.009 to require the

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SECTION 12.01. Subchapter A, Chapter 456, Transportation Code, is amended by adding Section 456.009 to require the Commission to adopt rules to allocate funds to designated recipients under provisions relating to state financing of public transportation. Prohibits the Commission from distributing less than 90 percent of the total amount allocated under the formula program provided by the law and more than 10 percent of the total amount allocated under the discretionary program. Requires the rules to include a provision ensuring that no recipient of state funding under the formula and discretionary program for public transportation receives an amount of funding allocated that is less than the total amount of state funding received under those programs in the state fiscal year beginning September 1, 2003. *(2nd Reading Amendment 77 by Guillen)*

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Commission to adopt rules to allocate funds to designated recipients under provisions relating to state financing of public transportation. Prohibits the Commission from distributing less than 90 percent of the total amount allocated under the formula program provided by the law and more than 10 percent of the total amount allocated under the discretionary program. ~~Requires the rules to include a provision ensuring that no recipient of state funding under the formula and discretionary program for public transportation receives an amount of funding allocated that is less than the total amount of state funding received under those programs in the state fiscal year beginning September 1, 2003. (2nd Reading Amendment 77 by Guillen)~~

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ARTICLE 13. MEMORANDA OF UNDERSTANDING

Requires the Board of the Department of Motor Vehicles and the Transportation Commission by rule to enter into a memorandum of understanding to coordinate their respective information systems to allow for the sharing of information, using existing personnel and resources, so that they may effectively and efficiently perform their duties. Provides that confidential information continues to be confidential under the same requirements under which the information was originally obtained. Allows information may be shared under the memorandum of understanding without the consent of the person who is subject of the information and allows the Board and the Commission to adopt or revise a memorandum of understanding to effectuate the specified transfer of powers and duties.

No equivalent provision.

ARTICLE 14. TRANS-TEXAS CORRIDOR

ARTICLE 45. MEMORANDUM OF UNDERSTANDING

Provides for DMV and TxDOT to enter to a joint memorandum of understanding regarding the coordination of information systems that is substantially the same as in the House version, but does not provide for it to be adopted in rule and clarifies that neither agency may impose or collect a fee for the sharing of information. Also provides that the same provisions relating the joint memorandum of understanding between TxDOT and new Department would also apply to any other memorandum of understanding entered into or revised by the two departments.

Provides for DMV and TxDOT to enter into one or more joint memoranda of understanding in addition to the memorandum for information technology to effectuate the transfer of powers and duties of TxDOT to the new department and specifies that it may include an agreement for office space, utilities, and other facility services, and the need for TxDOT employees to provide services in addition to the positions transferred from within the divisions themselves.

ARTICLE 19. TRANS-TEXAS CORRIDOR.

Do not include either provision. HB 3097 passed.

Similar to House version, but with the following technical change:
REPEAL OF TRANS-TEXAS CORRIDOR

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SECTION 14.01. Section 11.11(j), Tax Code.
SECTION 14.02. Section 25.06(c), Tax Code
SECTION 14.03. Section 25.07(c), Tax Code
SECTION 14.04. Sections 201.616(a) and (b), Transportation Code:
SECTION 14.05. Section 202.112(a), Transportation Code:
SECTION 14.06. Section 222.003(e), Transportation Code.
SECTION 14.07. Section 223.201(a), Transportation Code
SECTION 14.08. Section 223.206(d), Transportation Code.
SECTION 14.09. Sections 223.208(b), (c), (e), and (f), Transportation Code.
SECTION 14.10. Section 371.001(2), Transportation Code.
SECTION 14.11. Section 371.001(a)(2), Transportation Code.
SECTION 14.12. Section 371.001(2), Transportation Code.
SECTION 14.13. Repealer.

Repeal provisions authorizing the establishment, development, operation, financing, and acquisition of right of way for the Trans-Texas Corridor.
2nd reading amendment 78 by Leibowitz

No equivalent provision.

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SECTION 19.01 through SECTION 19.06 and SECTION 19.08 through SECTION 19.12.
Substantially the same as the House version. Deletes certain language related to Vehicles Used by Nonprofit Disaster Relief Organizations.

Senate Floor Amendment 1, Items 13, 14, and 15, by Hegar;
Senate Floor Amendment 2, Items 2 and 3, by Hegar.

No equivalent provision.

CONFERENCE

Same as Senate version.

Same as Senate version, but omits Floor Amendment 2, Items 2 and 3, by Hegar.

Add the following language:

SECTION 19.____. The changes in law made by this Act to Sections 11.11(j), 25.06(c)(1), and 25.07(c)(1), Tax Code, do not apply to any portion of a facility owned by the Texas Department of Transportation that is part of the SH 130, Segments 5 and 6 project, or to a leasehold or other possessory interest in a facility owned by the Texas Department of Transportation that is part of the SH 130, Segments 5 and 6

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project. Those sections, as they existed immediately before the effective date of this Act, are continued in effect for those purposes.

ARTICLE 15. AVIATION

SECTION 15.01. Amends Section 21.067, Transportation Code to prohibit TxDOT from charging a fee for the Texas Airport Directory.
(Second Reading Amendment 81 by Hughes)

No equivalent provision.

Same as House version.

ARTICLE 16. AVIATION FACILITIES DEVELOPMENT AND FINANCIAL ASSISTANCE

SECTIONS 16.01 to 16.03. Amends Sections 21.101, 21.105, and 21.112, Transportation Code, to expand eligibility to receive state grant funds for airport operations to an owner of an airport that is eligible to receive federal funds under the federal airport improvement program and that also meets other specified criteria.
(Second Reading Amendment 82 by Dukes)

ARTICLE 23. AVIATION FACILITIES DEVELOPMENT AND FINANCIAL ASSISTANCE

SECTION 23.01 to 23.03. Same as House version.

Include neither provision.

SECTIONS 16.04 and 16.05. Amends Subchapter H, Chapter 201, Transportation Code, by adding Section 201.620 and Subchapter D, Chapter 472, Transportation Code, by adding Section 472.035 to specify that laws relating to TxDOT plans

No equivalent provision.

Same as Senate version.

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and projects and metropolitan planning organizations do not apply to planning related to the application, selection, or distribution of federal and state airport development grants.
(2nd Reading Amendment 83 by Gattis)

ARTICLE 17. AD VALOREM TAXATION OF HEAVY EQUIPMENT

SECTION 17.01. Amends Section 23.1242(i), Tax Code to specify that if the amount in the escrow account exceeds the amount of taxes due, the owner can choose whether to receive a refund or a credit in the amount of the excess amount.
(2nd Reading Amendment 84 by Homer)

No equivalent provision.

Same as Senate version.

ARTICLE 18. HIGH-SPEED RAIL

SECTIONS 18.01 and 18.02. Chapter 91, Transportation Code is amended by adding Subdivision 91.001 (3-b) and Subchapter G to require the Transportation Commission to create a Texas High –Speed Rail transportation corporation, and authorizes the corporation to solicit federal economic stimulus funding.

No equivalent provision.

Same as Senate version.

ARTICLE 19. MEMORIAL SIGN PROGRAM

SECTION 19.01. Sections 201.909(e), (f), and (g), Transportation Code, are amended to allow a memorial sign may remain posted for two years rather than the one year currently allowed under the program. Provides for TxDOT not to enforce the change if it determines that doing so would

No equivalent provision.

Same as House version.

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result in the loss of federal funds. *(2nd Reading Amendment 90 by Gutierrez)*

ARTICLE 20. TRANSPORTATION PROJECT FINANCING

No equivalent provision.

Same as House version.

SECTIONS 20.01 and 20.02. Sections 201.943(d) and 222.103(a) Transportation Code, are amended to authorize the use of the Texas Mobility Fund as a revolving fund to provide loans or grants to public entities for state highway projects, publicly owned toll road projects, and other public transportation projects. Also allows the Commission to require the repayment of money from the Mobility Fund. *(2nd Reading Amendment 91 by Pickett)*

ARTICLE 21. NOTIFICATION BY DEPARTMENT REGARDING HIGHWAY CONSTRUCTION PROJECTS

No equivalent provision.

Same as House version.

SECTION 21.01. Section 203.022(c), Transportation Code, is amended to require TxDOT to provide written notice or electronic notice to the governing body of a city not later than the 14th day before the Department begins construction of a state highway project in the city. *(2nd reading amendment 92 by Chris Turner and 93, by Pickett)*

ARTICLE 22. PHOTOGRAPHIC TRAFFIC SIGNAL ENFORCEMENT SYSTEMS

ARTICLE 32. PHOTOGRAPHIC TRAFFIC SIGNAL ENFORCEMENT SYSTEMS.

SECTION 22.01. Subchapter D, Chapter 201, Transportation

No equivalent provision

Same as Senate version.

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Code, is amended by adding Section 201.210 to give TxDOT jurisdiction regarding photographic traffic signal enforcement systems (red light cameras). Prohibits new red light cameras and phases-out renewal of contracts for existing red light cameras after June 1, 2009. Requires the change interval in a light with red light cameras to be one second longer than the minimum.

(2nd reading amendment 101 by Elkins and 102 by Elkins)

No equivalent provision.

SECTIONS 32.01 and 32.03. Section 707.002, Transportation Code Section 1001.002, Education Code, are amended to authorize cities to require red-light violators, caught by red light cameras, to take an intersection safety course in lieu of paying a fine.

Same as Senate version.

No equivalent provision.

SECTION 32.02. Chapter 707, Transportation Code, is amended to prohibit a local authority from imposing a civil penalty on the owner of an authorized emergency vehicle.

Same as House version.

No equivalent provision.

ARTICLE 33. AUTOMATIC LICENSE PLATE IDENTIFICATION CAMERAS

Same as House version.

SECTION 33.01. Subchapter C, Chapter 202, Transportation Code, is amended by adding Section 202.062 to authorize agreements between TxDOT and DPS or federal or local law enforcement agencies to locate automatic license plate identification cameras on right-of-way. The camera could only be used for enforcement of a United States or Texas penal law other than a traffic violation that is a misdemeanor, or for locating a missing child, missing senior citizen, or a

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No equivalent provision.

person for whom the governor has issued an alert by executive order.

ARTICLE 34. APPLICATION FOR DEALER GENERAL DISTINGUISHING NUMBER

Do not include. Passed in SB 520.

SECTIONS 34.01 to 34.03. Section 503.029, Transportation Code, is amended to require new applicants for independent automobile dealers licenses to complete a TxDOT-approved dealer education course that must be at least 8 hours and no more than 12 hours. Applies to persons seeking to become independent dealers after September 1, 2010 and grandfathers anyone filing an application before that date.

No equivalent provision.

ARTICLE 35. USE OF CERTAIN VEHICLES FOR LAW ENFORCEMENT PURPOSES

Same as Senate version.

SECTIONS 35.01 and 35.02. Sections 541.201 and 545.421, Transportation Code, are amended to add federal law enforcement vehicles to the definition of "authorized emergency vehicle," and clarifies the definition of a "police vehicle" as including a vehicle owned or leased by a governmental entity or commissioning institution, or a private vehicle owned or leased by the peace officer that is approved for use for law enforcement purposes. Also requires an officer's vehicle to bear the insignia of a law enforcement agency

ARTICLE 23. REGIONAL MOBILITY AUTHORITIES

No equivalent provision.

Same as House version with the following additions:

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SECTIONS 23.01 to 23.17. Chapters 370 and 371, Transportation Code are amended to change the use of funds and the powers, duties, and operations of regional mobility authorities (RMAs), including authorizing an RMA to participate in the state travel management programs administered by the Comptroller; and borrow money from or enter into a loan agreement or other arrangement with TxDOT, or any other public or private entity. *(2nd Reading Amendment 103 by Phillips and Amendment 104 by Pickett)*

1. Add a new subdivision to the definition of "transportation project" to read as follows:
(O) improvements in a transportation reinvestment zone designated under Subchapter E, Chapter 222

2. Add a new Section 370.040 to read as follows:
Sec. 370.040. TOLL COLLECTION. (a) In this section, "tolling services" means the tolling services normally provided through an authority's customer service center or through contracted services provided to the authority, including customer service, customer account maintenance, transponder supply, and toll collection and enforcement.

(b) An authority shall provide, for reasonable compensation, tolling services for a toll project in the geographic boundaries of the authority, regardless of whether the toll project is developed, financed, constructed, and operated under an agreement, including a comprehensive development agreement, with the authority or another entity. Nothing contained in this section shall restrict an authority from agreeing to additional tolling services in an agreement described in Subsection (d). Any such additional tolling services shall be subject to the same provisions that apply to tolling services under this section.

(c) An authority may not provide financial security, including a cash collateral account, for the performance of tolling services it provides under this section if:

(1) the authority determines that providing security could restrict the amount or increase the cost of bonds or other debt obligations the authority may subsequently issue under this chapter; or

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(2) the authority is not reimbursed its cost of providing the security.

(d) Before providing tolling services for a toll project under this section, an authority must enter into a written agreement that sets out the terms and conditions for the tolling services to be provided and the terms of compensation for those services.

(e) Toll revenues are the property of the entity that is entitled to the revenues under a tolling services agreement for the toll project, regardless of who holds or collects the revenues. Toll revenues that are held or collected by an authority under a tolling services agreement that are not the property of the authority are not subject to a claim adverse to the authority or a lien on or encumbrance against property of the authority. Toll revenues that are the property of the authority are not subject to a claim adverse to any other entity or a lien on or encumbrance against property of any other entity.

(f) An authority may agree in a tolling services agreement that its right and obligation to provide services for that toll project under this section are subject to termination for default, and that after any such termination, this section no longer applies to that toll project.

(g) Any public or private entity, including an authority or the department, may agree to fund a cash collateral account for the purpose of providing funds that may be withdrawn as provided in the tolling services agreement because of an authority's failure to make any payment as required by the tolling services agreement. An authority's written commitment to fully or partially fund a cash collateral

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account conclusively evidences its determination that the commitment does not violate Subsection (c). The department may expend money from any available source for this purpose.

(h) Subsection (b) may be waived by the authority under a written agreement between the authority and the entity developing the toll project.

3. Replace SECTION 23.17 with the following language:

SECTION 23.17. Section 370.040, Transportation Code, as added by this Act, does not apply to any segment, extension or expansion of the I-35/SH 130 project within the previously designated Interstate 35 corridor, a segment, extension or expansion of the I-69/US 77 project within the previously designated Interstate 69 corridor, or any project for which the Texas Department of Transportation has entered into a contract to construct the project prior to the effective date of this Act. Such a project, segment, extension or expansion is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose. Notwithstanding the foregoing, if there is, pursuant to a contract entered into after the effective date of this Act, a transfer of a leasehold interest in, or right to operate and retain revenues from, a project that is not a segment, extension or expansion of the I-35/SH 130 project within the previously designated Interstate 35 corridor or a segment, extension or expansion of the I-69/US 77 project within the previously designated Interstate 69 corridor, and the department does not continue to provide tolling services for the project, Section 370.040 shall apply.

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ARTICLE 24. COUNTY ROAD AND BRIDGE FUND

SECTION 24.01. Section 256.001, Transportation Code, is amended to authorize the use of the county road and bridge fund for purchasing right-of-way for public roads or bridges; or constructing and maintaining public roads or bridges, including the hiring of labor and the purchase of materials, supplies, and equipment. Requires the commissioners court, in spending the vehicle registration fees for county road purposes, to regard the roads and highways of the county as a system to be built, improved, and maintained as a whole for all people and precincts of the county. *(2nd Reading Amendment 107 by Pickett)*

No equivalent provision.

No equivalent provision.

Same as House version.

ARTICLE 25. HIGHWAY AND OVERPASS DESIGNATIONS

SECTION 25.01. Subchapter B, Chapter 225, Transportation Code, is amended by adding Section 225.080 to designate the structure on U.S. Highway 259 that passes over State Highway 155 in Upshur County as the Trooper Todd Dylan Holmes Memorial Overpass, and requires TxDOT to erect markers. *(2nd reading amendment 112 by Hughes)*

ARTICLE 22. HIGHWAY AND OVERPASS DESIGNATIONS

No equivalent provision.

Same as Senate version. HB 2201 passed.

ARTICLE 26. HIGHWAY, OVERPASS, AND BRIDGE DESIGNATIONS

SECTION 26.01. Subchapter B, Chapter 225, Transportation

SECTION 22.01. Same as House version.

Same as House version.

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Code, is amended by adding Section 225.081 to designate the structure on Loop 338 that passes over I-20 in Ector County as the Buddy West Memorial Overpass. Requires the Department to erect markers.

Adds Section 225.082, Transportation Code, to designate the Presidio International Bridge as the Representative Richard C. Slack Bridge. Requires the Department to erect markers.
(2nd reading amendment 113 by Swinford and 114 by Gallego)

ARTICLE 27. MOTOR VEHICLE RENTAL INFORMATION RELATING TO THE PAYMENT OF TOLLS

SECTIONS 27.01 to 27.06. Sections 228.055, 228.056, 284.0701, 284.0702, and 366.178, Transportation Code are amended to authorize rental car companies to submit certain electronic information to TxDOT and local tolling entities for the purpose of collecting tolls or the prosecution of an offense for the nonpayment of a toll. Makes conforming changes to reflect the new Department of Motor Vehicles.
(2nd reading amendment 120 by Phillips and 121, by Pickett)

Comparable provisions are contained in ARTICLE 8A.

ARTICLE 28. STATE HIGHWAY TOLL PROJECTS

SECTION 28.01. Subchapter B, Chapter 228, Transportation Code, is amended by adding Section 228.060 to require the

No equivalent provision.

ARTICLE 29. Toll Collections.

SECTIONS 29.01 to 29.06. Similar to House version, but also contains language requiring certain regional mobility authorities to send notice of nonpayment no later than 90 days after the alleged failure to pay.

Comparable provisions are contained in SECTIONS 1.29, 1.30, 1.31, and 1.32.

No equivalent provision.

No equivalent provision.

Same as House version.

Same as Senate version.

Same as House version.

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Department to adopt uniform standards for toll project signs to allow a driver to clearly determine they are entering a toll project, any toll payment restriction and the amount of the toll. Requires the signs to be placed so that a driver can safely determine not to enter the toll project.

2nd reading amendment 122 by Hochberg

ARTICLE 29. DETERMINATION OF PRIMACY FOR TOLL PROJECT DEVELOPMENT

SECTION 29.01. Subchapter A, Chapter 228, Transportation Code, is amended by adding Section 228.0112 to read as follows:

Sec. 228.0112. DETERMINATION OF PRIMACY FOR TOLL PROJECTS IN CERTAIN AREAS. (a) In this section "local toll project entity" means an entity, other than the department, that is authorized by law to acquire, design, construct, finance, operate, and maintain a toll project, including:

- (1) a regional tollway authority under Chapter 366;
- (2) a regional mobility authority under Chapter 370; or
- (3) a county acting under Chapter 284.

(b) A transaction involving a local toll project entity under Section 228.011, Section 228.0111, or other applicable law that provides for a process under which a local toll project entity has the first option to develop, finance, construct and operate the toll project is not primarily commercial in nature but is an inherently governmental transaction whose purpose is to determine governmental jurisdiction, ownership, control, or other responsibilities with respect to a project.

No equivalent provision.

ARTICLE 26, ARTICLE 27, ARTICLE 28, ARTICLE 30 and ARTICLE 31. Changes statute to:

- repeal the market valuation process established by SB 792, 80th Legislature.
- create a first right of refusal guarantee for local and state entities to build future toll projects, and ensures all methods of public transportation finance are exhausted before a private entity can finance, build, and operate a toll project.
- provide that publicly owned projects may use private financing, but private entities may not own equity in such a project.
- provides for subaccounts for allocation and distribution of toll project revenue and payments by the department to regions.
- provide that a CDA must contain a "buy-out" provision authorizing a toll project entity to purchase the interest of a private participant in the toll project and related property; and that the provision must include a schedule stating a specified price for the

Substantially the same as Senate version, but add the following projects to the list of projects exempt from the application of the primacy process established in the new Chapter 373 and the existing Sec. 228.0111, Transportation Code:

(11) the IH 35E managed lanes project in Dallas and Denton Counties from IH 635 to US 380;

(12) the IH 30 managed lanes project from Baird Farm Road in Tarrant County to IH 35E in Dallas County; or

(13) the SH 183 managed lanes project in Dallas County from SH 161 to SH 114 in Irving and from SH 114 to IH 35E in Dallas.

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(c) Any determination of value, including best value, under this Section 228.011, Section 228.0111, or other applicable federal or state law for a comprehensive development agreement or other public-private partnership arrangement involving a toll project for which a local toll project entity has exercised its rights to develop the toll project and has complied with all applicable conditions in Section 228.011, Section 228.0111 or other applicable law that provides for a process under which the local toll project entity has the first option to develop, finance, construct and operate the toll project must take into consideration factors the entity determines appropriate, including factors related to:

- (1) oversight of the toll project;
- (2) maintenance and operations costs of the toll project;
- (3) the structure and rates of tolls;
- (4) economic development impacts of the toll project; and
- (5) social and environmental benefits and impacts of the toll project.

(d) Notwithstanding Section 228.011(a), Section 228.011 applies to a local toll project entity and any toll project located in the territory of a local toll project entity following the expiration of the date provided in Section 228.0111(r), unless the toll project is subject to other law that provides for a process under which the local toll project entity has the first option to develop, finance, construct and operate the toll project. For the purposes of applying Section 228.011, the provisions of that section referencing a county are applicable to a local toll project entity to the same extent as a county, regardless of whether the local toll project entity is acting under Chapter 284, Chapter 366, or Chapter 370.

- purchase of the toll project at certain intervals.
- require that the buy-out provision must authorize the toll project entity to purchase the private entity's interest in an amount not to exceed the lesser of:
 - the prices stated for the interval; or
 - the then fair market value of the private entity's interest, provided that this value is not less than the private entity's outstanding debt at that time plus other reasonable costs associated with the purchase as defined in the CDA.
- require the State Highway 99 (Grand Parkway) project to be developed in 10 specific segments. Gives TxDOT the option to develop portions of the project if the local toll project entity does not develop segments within specified timeframes. Specifies other details for the order in which specific segments shall be constructed.

Specifies the following applicability of CHAPTER 373, regarding to toll projects located in territory of local toll project entity:

Sec. 373.002. APPLICABILITY. (a) This chapter does not apply to a toll project described in Section 228.011.

(b) Except for Sections 373.003, 373.004, and 373.005, this chapter does not apply to:

- (1) the U.S. 281 project in Bexar County from Loop 1604 to the Comal County line;
- (2) the Loop 49 project from IH 20 to State Highway 110 in Smith County;
- (3) the DFW Connector project in Tarrant

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(e) For the purpose of determining primacy for developing toll projects under applicable law, the following local toll project entities may exercise the right of first option before the North Texas Tollway Authority:

- (1) a municipality acting under Chapter 431;
- (2) Collin County; and
- (3) the Grayson County regional mobility authority.

and Dallas Counties (State Highway 114 from State Highway 114L Business to east of International Parkway and State Highway 121 from north of FM 2499 to south of State Highway 360);

(4) the North Tarrant Express project in Tarrant and Dallas Counties (IH 820 and State Highway 121/State Highway 183 from IH 35W to State Highway 161, IH 820 east from State Highway 121/State Highway 183 to Randol Mill Road, and IH 35W from IH 30 to State Highway 170);

(5) the U.S. 290 project from east of U.S. 183 to east of FM 973 in Travis County;

(6) the State Highway 99 (Grand Parkway) project;

(7) the IH 635 managed lanes project in Dallas County (IH 635 from east of Luna Road to Greenville Avenue and IH 35E from south of the Loop 12/IH 35E split to south of Valwood Parkway);

(8) Phase 4 extension of the Dallas North Tollway in Collin and Denton Counties from U.S. 380 to the Grayson County line to be developed by North Texas Tollway Authority;

(9) the Southwest Parkway (State Highway 121) in Tarrant County from Interstate 30 to Dirks Road/Altamesa Boulevard and the Chisholm Trail project from Dirks Road/Altamesa Boulevard to U.S. Highway 67 in the City of Cleburne; or

(10) the Loop 9 project in Dallas County.

SECTION 29.02. Chapter 223, Transportation Code, is

SECTION _____. Subchapter E, Chapter 223,

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amended by adding Sections 223.2011 to read as follows:
Sec. 223.2011. CDA AUTHORITY IN POPULOUS COUNTY FOR CERTAIN PROJECTS.

(a) This Subsection applies only to (i) the portion of I-69 and the Trans-Texas Corridor and any successor project located in a county with a population of 3.3 million or more and any adjacent county, (ii) any comprehensive development agreement or related agreement entered into by the department in connection with such projects, and (iii) any toll or other projects in the region the revenues or assets of which are to be used in connection with the financing of such projects.

(b) As used in this Subsection the term "region" means a county with a population of 3.3 million or more and the counties that are adjacent to that county.

(c) Any payments, project savings, refinancing dividends, and any other revenue, including surplus revenue, received by the commission or the department under the comprehensive development agreement or any related agreement, and any revenue attributable to any toll or other projects in the region, shall be used only to pay the costs or to finance the construction, maintenance, or operation of transportation projects or air quality projects in the region.

(d) No third party shall have any rights under the comprehensive development agreement or any related agreement that conflicts with, infringes on or impairs the rights of any county with respect to the development or operation of any project under Section 228.011 or Section 228.0111 or other applicable law that provides for a process under which the county has the first option to develop and

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Transportation Code, is amended by adding Section 223.2011 to read as follows:

Sec. 223.2011. COMPREHENSIVE DEVELOPMENT AGREEMENTS IN CERTAIN COUNTIES FOR CERTAIN PROJECTS. (a) In this section, "region" means a county with a population of 3.3 million or more and the counties adjacent to that county.

(b) This section applies only to:

(1) the portion of IH 69 and any successor project located in:

(A) a county with a population of 3.3 million or more; or

(B) any adjacent county;

(2) a comprehensive development agreement or related agreement entered into by the department in connection with the project under Subdivision (1); and

(3) a toll project or other project in the region the revenues or assets of which are to be used in connection with the financing of a project under Subdivision (1).

(c) Any payments, project savings, refinancing dividends, and any other revenue, including surplus revenue, received by the commission or the department under the comprehensive development agreement or any related agreement, and any revenue attributable to any toll project or other project in the region described by Subsection (b)(3), may be used only to pay the costs or to finance the construction, maintenance, or operation of transportation projects or air quality projects in the region.

(d) The private entity that is a party to the comprehensive development agreement does not have any

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operate a project.

(e) A comprehensive development agreement and any related agreement that includes a provision that grants a private entity the right to finance and develop a toll project in the region or collect and receive toll revenue from a project in the region shall not be effective unless the agreement meets the requirements of this Section.

right under the agreement or any related agreement that conflicts with, infringes on, or impairs the rights of any county with respect to the development or operation of any project under Section 228.011 or 228.0111 or other applicable law that provides for a process under which the county has the first option to develop and operate a project.

(e) A comprehensive development agreement and any related agreement that includes a provision that grants a private entity the right to finance and develop a toll project in the region or to collect and receive toll revenue from a toll project in the region is not effective unless the agreement complies with this section.

(Senate Floor Amendment 1, Item 8, by Hegar)

ARTICLE 30. TOLL PROJECT ENTITIES

SECTION 30.01. Subchapter B, Chapter 366, Transportation Code, is amended by adding Sections 366.040 and 366.041 to specify that the books and records of a local toll project entity for which the entity uses state highway right-of-way are subject to audit by TxDOT and the state auditor and to require a regional tollway authority in a county with a population of 250,000 or more to designate a person to maintain the transaction register of the authority's checking account in a searchable electronic format.

SECTION 30.02 through 30.04. Chapter 371, Transportation Code, as added by Chapters 103 (H.B. 570) and 258 (S.B. 11),

No equivalent provision.

No equivalent provision.

No equivalent provision.

Same as Senate version.

Same as Senate version.

Same as Senate version. (HB 3139 passed.)

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Acts of the 80th Legislature, Regular Session, 2007, is reenacted, redesignated as Chapter 372, Transportation Code, and amended to add to definitions in current law to specify that a “local toll project entity” means a toll project entity other than TxDOT. Permits a toll project entity to establish a veteran discount program that includes free or discounted use of the toll project by certain veterans. Prohibits a toll project entity from requiring nonprofit disaster relief organization vehicles to pay a toll.

Requires toll project entities, for each contract for a toll project in an air quality nonattainment or near-nonattainment area, to allocate one-half of one percent of the total amount of the contract for landscaping improvements. Specifies the landscaping improvements that may be included. (note: similar landscaping provision for TxDOT highway projects in SECTION 7.01)

Subjects the books and records of a local toll project entity to audit by TxDOT and the State Auditor’s Office. Prohibits a person who enters into or submits a proposal for a contract with a local toll project entity from making a political contribution to a person who is a member of the governing body of the entity. Provides further that persons proposing to contract or contracting with TxDOT or any board or agency of this state whose governing members are appointed by the Governor may not make a political contribution to the Governor’s campaign.

Prohibits various acts of local toll project entities and

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individuals, including: use of money to support the candidacy of a person for an office in the legislative, executive, or judicial branch of state or national government; use official authority or influence to interfere with or affect an election or achieve any other political purpose; and other prohibitions.

Prohibits use of the entity's funds for employing a person who is required to register as a lobbyist. Prohibits a toll project entity or the office of the Governor from using funds to attempt to influence the passage or defeat of a legislative measure. Prohibits a person from serving as a consultant, advisor, auditor, or other expert in connection with a contract of a local toll project entity or TxDOT if the person has a financial interest in the contract.

Provides that restrictions imposed on a local toll project entity by these provisions apply equally to a private entity in relation to a CDA or other public-private partnership for a toll project. Provides for other prohibitions related to local toll project entities, TxDOT, or the Governor's office.

Repeals sections of the Transportation Code relating to toll project promotion:

- (1) Section 228.004 (Promotion of Toll Project);
- (2) Section 284.072 (Promotion of Toll Roads);
- (3) Section 366.181 (Promotion of Toll Roads); and
- (4) Section 370.180 (Promotion of Transportation Project).

Second reading House Floor Amendment 125 (Pickett), as amended by:

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- *Second reading Amendment 126 (Yvonne Davis);*
- *Second reading Amendment 127 (Herrero)*
- *Second reading Amendment 128 (Pickett)*
- *Second reading Amendment 129 (Pickett)*
- *Second reading Amendment 130 (Paxton)*
- *Third reading Amendment 13 (Wayne Smith)*
- *Third reading Amendment 18 (Yvonne Davis)*

Note: 228.004 is amended in other Section of the House version, see SECTION 3.03 and SECTION 3.07.

ARTICLE 31. REGIONAL MOBILITY AUTHORITIES

No equivalent provision.

Same as Senate version.

SECTION 31.01 through SECTION 31.07. Chapter 370, Transportation Code, is amended to add provisions regarding the creation of a municipal mobility authority (MMA). Defines an MMA as a regional mobility authority. Specifies that a municipality that borders the United Mexican States and has a population of 105,000 or more may create and participate in an MMA. The governing body of a municipality that creates an MMA by ordinance or resolution may provide that the governing body of the municipality serves as the board of the authority, with the presiding officer of the governing body of the municipality serving as the presiding officer of the board. Specifies that the Transportation Commission does not govern the creation of an MMA, cannot refuse to authorize the creation of an MMA, and may not order its dissolution. Provides that an MMA may not be dissolved unless approved by the governing body of the

No equivalent provision.

Same as Senate version.

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municipality that created the MMA and sets out the process for dissolution. Also, allows an elected official to serve as director of an MMA. *(2nd Reading Amendments 131, 132, and 133 by Pickett; and 3rd Reading Amendment 14 by Pickett)*

ARTICLE 32. COMPREHENSIVE DEVELOPMENT AGREEMENTS

SECTION 32.01. Section 371.003, Transportation Code, is amended to read as follows:

Sec. 371.103. PROHIBITION AGAINST NONCOMPETITION PROVISIONS [~~LIMITING OR PROHIBITING CONSTRUCTION OF TRANSPORTATION PROJECTS~~]. (a) A comprehensive development agreement may not contain a provision that limits or prohibits the construction, reconstruction, expansion, rehabilitation, operation, or maintenance of a highway or other transportation project, as that term is defined by Section 370.003, by the toll project entity or other governmental entity, or by a private entity under a contract with the toll project entity or other governmental entity.

(b) A [~~Except as provided by Subsection (e), a~~] comprehensive development agreement may not contain a provision authorizing the toll project entity to compensate the private participant in the agreement for the loss of toll revenues attributable to the construction of a highway project by the entity [~~of a limited access highway project located within an area that extends up to four miles from either side of~~

ARTICLE 28. NONCOMPETITION PROVISIONS IN COMPREHENSIVE DEVELOPMENT AGREEMENTS

SECTION 28.01. Sections 371.103(b) and (c), Transportation Code, as added by Chapter 264 (S.B. 792), Acts of the 80th Legislature, Regular Session, 2007, are amended to read as follows:

(b) Except as provided by Subsection (c), a comprehensive development agreement may contain a provision authorizing the toll project entity to compensate the private participant in the agreement for the loss of toll revenues attributable to the construction by the entity of a limited access highway project located within an area that extends up to four miles from either side of the centerline of the project developed under the agreement, less the private participant's decreased operating and maintenance costs attributable to the highway project, if any. A provision under this subsection may be effective only for a period of 30 years or less from the effective date of the agreement.

(c) A comprehensive development agreement may not require the toll project entity to provide compensation for the construction of:

(1) a highway project contained in the state transportation

Include neither. Other language adopted and included in SECTION 1.43.

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~~the centerline of the project developed under the agreement, less the private participant's decreased operating and maintenance costs attributable to the highway project, if any].~~

~~[(e) A comprehensive development agreement may not require the toll project entity to provide compensation for the construction of:~~

~~[(1) a highway project contained in the state transportation plan or a transportation plan of a metropolitan planning organization in effect on the effective date of the agreement;~~

~~[(2) work on or improvements to a highway project necessary for improved safety, or for maintenance or operational purposes;~~

~~[(3) a high occupancy vehicle exclusive lane addition or other work on any highway project that is required by an environmental regulatory agency; or~~

~~[(4) a transportation project that provides a mode of transportation that is not included in the project that is the subject of the comprehensive development agreement.~~

~~[(d) The private participant has the burden of proving any loss of toll revenue resulting from the construction of a highway project described by Subsection (b).~~

~~[(e) A comprehensive development agreement that contains a provision described by Subsection (b) must require the private participant to provide compensation to the toll project entity in the amount of any increase in toll revenues received by the private participant that is attributable to the construction of a highway project described by Subsection (b), less the private participant's increased operation and maintenance costs attributable to the highway project, if any.]~~

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plan or a transportation plan of a metropolitan planning organization in effect on the effective date of the agreement;

(2) work on or improvements to a highway project necessary for improved safety, or for maintenance or operational purposes;

(3) a high occupancy vehicle exclusive lane addition or other work on any highway project that is required by an environmental regulatory agency; [or]

(4) a transportation project that provides a mode of transportation that is not included in the project that is the subject of the comprehensive development agreement; or

(5) a highway designated an interstate highway.

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ARTICLE 33. PROVISIONS APPLICABLE TO MORE THAN ONE TYPE OF TOLL PROJECT

SECTION 33.01. Chapter 372, Transportation Code, is amended by adding Section 372.053 to define "transponder" as a device, placed on or in a motor vehicle that is capable of transmitting information used to assess or collect tolls. Requires a toll entity to waive any fees and penalties for the failure to pay a toll while driving or towing a vehicle through a toll booth or plaza if a transponder was properly installed and used, but the failure to collect the tolls is due solely to the transponder or toll equipment error. Authorizes the toll project entity to notify the owner of the vehicle to which the transponder is registered that it must be replaced and is not required to waive subsequent fees and penalties. *(2nd Reading Amendments 136 and 137 by Hochberg)*

ARTICLE 34. TEXAS LOCAL PARTICIPATION TRANSPORTATION PROGRAM

SECTION 34.01. Chapter 403, Government Code, is amended by adding Subchapter O to provide for the creation and administration of the Texas Local Participation Transportation Program. Creates the Texas Participation Transportation Fund, a dedicated account in the General Revenue Fund. The Comptroller would provide grants and

ARTICLE 30. Same as House version.

No equivalent provision.

No equivalent provision.

No equivalent provision.

Same as House version.

Same as House version.

Same as Senate version.

Same as Senate version.

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loans to a municipality, county, regional mobility authority, or regional tollway authority for eligible toll or non-toll road projects as determined by the Comptroller. Money deposited to the new Fund would consist of money transferred to the fund at the direction of the legislature, gifts and grants, interest and earnings from investments of the fund, and money repaid by local project sponsors. *(2nd Reading Amendment 142 by W. Smith)*

ARTICLE 35. PUBLIC TRANSPORTATION ADVISORY COMMITTEE

SECTION 35.01 and SECTION 35.02. Sections 455.004(a), (b), and (c), Transportation Code, are amended to change the makeup of the Public Transportation Advisory Committee to consist of 9 members who reflect the diversity and the state and who are appointed by the governor, lieutenant governor, and the speaker who each appoint:

- one member represents a diverse cross-section of public transportation providers
- one member who represents a diverse cross-section of transportation users; and
- one member who represents the general public.

(2nd Reading Amendment 143 Phillips)

No equivalent provision.

No equivalent provision.

No equivalent provision.

ARTICLE 7. Public Transportation
Repeals Section 301.063(f), Labor Code. Technical clean-up.

Do not take either House or Senate. (HB 2219 by Phillips, dealing with this subject matter, has been signed by the Governor and becomes effective 9/1/09.)

Do not take either House or Senate. (HB 2219 by Phillips, dealing with this subject matter, has been signed by the Governor and becomes effective 9/1/09.)

Same as Senate version.

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ARTICLE 36. SPECIALTY LICENSE PLATES

No equivalent article [note: clean-up of specialty license plate statutes occurs in ARTICLE 40 as part of "Vision 21"]

SECTION 36.01 through SECTION 36.10. Chapter 504, Transportation Code, is amended to allow a private entity to provide the sale of personalized specialty license plates and allows the director of the department to set the fees. *(2nd Reading Amendment # 150 Phillips)*

No equivalent provision.

Same as Senate version.

SECTION 36.11 through SECTION 36.23 Chapter 504, Transportation Code, is amended to increase the number of license plates a state official may receive, from three to four, and clarifies language regarding federal, state, and county official specialty license plates. *(2nd Reading Amendment # 151 Gallego)*

No equivalent provision.

Same as Senate version.

SECTION 36.24. Section 504.409, Transportation Code, is amended to create a specialty license plate for volunteer firefighters *(2nd Reading Amendment # 152 Hughes)*

No equivalent provision.

Same as Senate version.

SECTION 36.25. Subchapter E, Chapter 504, Transportation Code, is amended by adding Sections 504.415 and 504.416 to create a specialty license plate for Justices of the Peace and Municipal Judges *(2nd Reading Amendment # 153 Guillen)*

No equivalent provision.

Same as Senate version.

SECTION 36.26. Section 504.614, Transportation Code, is amended by adding Subsection (d) to create a specialty license plate with the insignia of the San Antonio Spurs, with a percentage of the money deposited to the credit of the Texas

No equivalent provision.

Same as Senate version.

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parcs and wildlife conservation and capital account (2nd Reading Amendment # 154 Martinez Fischer)

SECTION 36.27. Subchapter G, Chapter 504, Transportation Code, is amended by adding Section 504.659 to read as follows:

Sec. 504.659. CHOOSE LIFE LICENSE PLATES AND CHOOSE ADOPTION LICENSE PLATES. (a) The department shall issue specially designed license plates that include the words "Choose Life" and "Choose Adoption." The department shall design the license plates in consultation with the attorney general.

(b) After deduction of the department's administrative costs, the department shall deposit the remainder of the fee for issuance of license plates under this section in the state treasury to the credit of the Choose Life and Choose Adoption account established by Section 402.035, Government Code.

SECTION 36.28. Subchapter B, Chapter 402, Government Code, is amended by adding Sections 402.035 and 402.036 to read as follows:

Sec. 402.035. CHOOSE LIFE AND CHOOSE ADOPTION ACCOUNT. (a) The Choose Life and Choose Adoption account is a separate account in the general revenue fund. The account is composed of:

(1) money deposited to the credit of the account under Section 504.659, Transportation Code; and

ARTICLE __. CHOOSE LIFE LICENSE PLATES; CHOOSE LIFE ACCOUNT; CHOOSE LIFE ADVISORY COMMITTEE

SECTION __.01. Subchapter G, Chapter 504, Transportation Code, is amended by adding Section 504.659 to read as follows:

Sec. 504.659. CHOOSE LIFE LICENSE PLATES. (a) The department shall issue specially designed license plates that include the words "Choose Life." The department shall design the license plates in consultation with the attorney general.

(b) After deduction of the department's administrative costs, the department shall deposit the remainder of the fee for issuance of license plates under this section in the state treasury to the credit of the Choose Life account established by Section 402.035, Government Code.

SECTION __.02. Subchapter B, Chapter 402, Government Code, is amended by adding Sections 402.035 and 402.036 to read as follows:

Sec. 402.035. CHOOSE LIFE ACCOUNT. (a) The Choose Life account is a separate account in the general revenue fund. The account is composed of:

(1) money deposited to the credit of the account under Section 504.659, Transportation Code; and
(2) gifts, grants, donations, and legislative appropriations.

Same as Senate version.

Same as Senate version.

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- (2) gifts, grants, donations, and legislative appropriations.
- (b) The attorney general administers the Choose Life and Choose Adoption account. The attorney general may spend money credited to the account only to:
- (1) make grants to an eligible organization; and
- (2) defray the cost of administering the account.
- (c) The attorney general may not discriminate against an eligible organization because it is a religious or nonreligious organization.
- (d) The attorney general may accept gifts, donations, and grants from any source for the benefit of the account.
- (e) The attorney general by rule shall establish:
- (1) guidelines for the expenditure of money credited to the Choose Life and Choose Adoption account; and
- (2) reporting and other mechanisms necessary to ensure that the money is spent in accordance with this section.
- (f) Money received by an eligible organization under this section may be spent only to provide for the material needs of pregnant women who are considering placing their children for adoption, including the provision of clothing, housing, prenatal care, food, utilities, and transportation, to provide for the needs of infants who are awaiting placement with adoptive parents, to provide training and advertising relating to adoption, and to provide pregnancy testing or preadoption or postadoption counseling, but may not be used to pay an administrative, legal, or capital expense.
- (g) In this section, "eligible organization" means an organization in this state that:
- (1) qualifies as a charitable organization under Section 501(c)(3), Internal Revenue Code of 1986;

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- (b) The attorney general administers the Choose Life account. The attorney general may spend money credited to the account only to:
- (1) make grants to an eligible organization; and
- (2) defray the cost of administering the account.
- (c) The attorney general may not discriminate against an eligible organization because it is a religious or nonreligious organization.
- (d) The attorney general may accept gifts, donations, and grants from any source for the benefit of the account.
- (e) The attorney general by rule shall establish:
- (1) guidelines for the expenditure of money credited to the Choose Life account; and
- (2) reporting and other mechanisms necessary to ensure that the money is spent in accordance with this section.
- (f) Money received by an eligible organization under this section may be spent only to provide for the material needs of pregnant women who are considering placing their children for adoption, including the provision of clothing, housing, prenatal care, food, utilities, and transportation, to provide for the needs of infants who are awaiting placement with adoptive parents, to provide training and advertising relating to adoption, and to provide pregnancy testing or preadoption or postadoption counseling, but may not be used to pay an administrative, legal, or capital expense.
- (g) In this section, "eligible organization" means an organization in this state that:
- (1) qualifies as a charitable organization under Section 501(c)(3), Internal Revenue Code of 1986;
- (2) provides counseling and material assistance to pregnant

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(2) provides counseling and material assistance to pregnant women who are considering placing their children for adoption;

(3) does not charge for services provided;

(4) does not provide abortions or abortion-related services or make referrals to abortion providers;

(5) is not affiliated with an organization that provides abortions or abortion-related services or makes referrals to abortion providers; and

(6) does not contract with an organization that provides abortions or abortion-related services or makes referrals to abortion providers.

Sec. 402.036. CHOOSE LIFE AND CHOOSE ADOPTION ADVISORY COMMITTEE. (a) The attorney general shall appoint a seven-member Choose Life and Choose Adoption advisory committee.

(b) The committee shall:

(1) meet at least twice a year or as called by the attorney general;

(2) assist the attorney general in developing rules under Section 402.035(e); and

(3) review and make recommendations to the attorney general on applications submitted to the attorney general for grants funded with money credited to the Choose Life and Choose Adoption account.

(c) Members of the committee serve without compensation and are not entitled to reimbursement for expenses. Each member serves a term of four years, with the terms of three or four members expiring on January 31 of each odd-numbered year.

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women who are considering placing their children for adoption;

(3) does not charge for services provided;

(4) does not provide abortions or abortion-related services or make referrals to abortion providers;

(5) is not affiliated with an organization that provides abortions or abortion-related services or makes referrals to abortion providers; and

(6) does not contract with an organization that provides abortions or abortion-related services or makes referrals to abortion providers.

Sec. 402.036. CHOOSE LIFE ADVISORY COMMITTEE.

(a) The attorney general shall appoint a seven-member Choose Life advisory committee.

(b) The committee shall:

(1) meet at least twice a year or as called by the attorney general;

(2) assist the attorney general in developing rules under Section 402.035(e); and

(3) review and make recommendations to the attorney general on applications submitted to the attorney general for grants funded with money credited to the Choose Life account.

(c) Members of the committee serve without compensation and are not entitled to reimbursement for expenses. Each member serves a term of four years, with the terms of three or four members expiring on January 31 of each odd-numbered year.

(Senate Floor Amendment 9 by Carona)

CONFERENCE

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(2nd Reading Amendment # 155 Isett)

SECTION 36.29. Subchapter E, Chapter 504, Transportation Code, is amended by adding Section 504.4011 to create a specialty license plate for elected city officials, municipal judges, and justices of the peace. *(2nd Reading Amendment # 156 Martinez as Amended by 2nd Reading Amendment to the Amendment # 157 Martinez)*

No equivalent provision.

Same as Senate version.

SECTION 36.30. Subchapter E, Chapter 504, Transportation Code, is amended by adding Section 504.414 to create a specialty license plate for professional firefighters with a percentage of the fee deposited to be used for grants to firefighter organizations for emergency relief and college scholarship funds to the professional firefighters and their dependents. *(2nd Reading Amendment # 158 Hughes as Amended by 2nd Reading Amendment to the Amendment # 159 Hughes)*

No equivalent provision.

Same as Senate version.

SECTION 36.31. Subchapter G, Chapter 504, Transportation Code, is amended by adding Section 504.6151 to create a specialty license plate for the "Notre Dame Alumni Association." *(2nd Reading Amendment # 160 Leibowitz)*

No equivalent provision.

Same as Senate version.

ARTICLE 37. TRAFFIC-CONTROL SIGNALIZATION STUDY

No equivalent provision.

Same as House version.

SECTION 37.01. Chapter 544, Transportation Code, is

No equivalent provision.

Same as House version.

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amended by adding Section 544.014 to require the department to conduct a study regarding improvement of traffic-control signalization to promote more efficient traffic flow, including a reduction in idling time. Prohibits the department from spending more than \$200,000 on the study. Requires the results to be reported by Dec. 1, 2010. *(2nd Reading Amendment 162 by Callegari)*

ARTICLE 38. USE OF SAFETY BELTS BY VEHICLE OPERATORS

SECTION 38.01. Sections 545.412(e) and (f), Transportation Code, are amended to remove third-party transport service providers when transporting clients pursuant to a contract to provide nonemergency Medicaid transportation from the list of persons for whom an offense to the Child Passenger Safety Seat System does not apply. Also, changes the definition of "passenger vehicle" to include a "passenger van designed to transport 15 or fewer passengers, including the driver" *(2nd Reading Amendment 164 by Naishtat)*

SECTION 38.02 and 38.02A. Section 545.413(e), Transportation Code, is amended to add operators of or passengers in a vehicle used exclusively to transport solid waste and who perform duties that require frequent entry into and exit from the vehicle to the list of persons exempted from wearing a seat belt. *(2nd Reading Amendment 163 by Hughes)*

No equivalent provision.

Same as Senate version.

No equivalent provision.

Same as Senate version.

No equivalent provision.

Same as Senate version. HB passed.

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ARTICLE 39. MOTOR VEHICLE SAFETY
RESPONSIBILITY

No equivalent provision.

SECTION 39.01. Section 601.053, Transportation Code, is amended by amending Subsection (b) and adding Subsection (c) to provide that not showing documentation of financial responsibility to a peace officer is not a violation of the Motor Vehicle Safety Responsibility Act if the peace officer determines, through use of the Financial Responsibility Verification Program established under Subchapter N, that financial responsibility has been established for the vehicle.
(2nd Reading Amendment 165 by Alonzo)

No equivalent provision.

Same as Senate version.

ARTICLE 40. MOTOR CARRIER OVERSIZE AND
OVERWEIGHT PERMITS

No equivalent provision.

Same as House version.

SECTION 40.01 and 40.02. Subchapter D, Chapter 623, Transportation Code, is amended by adding Section 623.0711 and Section 623.071(h) to provide for the department to issue a permit to a motor carrier to transport multiple loads of the same commodity over a state highway if all of the loads are traveling from and to the same general locations. Specifies that the permit may not violate federal size and weight regulations. Requires the department to determine that the state will benefit from such a permit and to complete a route and engineering study. Also requires that a motor carrier receiving the permit to file a bond to cover any damage that is sustained to a state highway.

No equivalent provision.

Same as House version.

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2nd Reading Amendment 166 by Swinford

ARTICLE 41. COUNTY TRAFFIC OFFICERS

SECTION 41.01 and SECTION 41.02. Section 701.006, Transportation Code, is amended, and Section 701.002(b), Transportation Code, is repealed to remove the provisions authorizing the district engineer of TxDOT district in which a county traffic officer operates, if the county traffic officer fails to perform the officer's duty to enforce the law, to send a written, signed complaint to the commissioners court; requiring the court to hold a hearing and summon the officer; and discharge the officer and employ another if the court determines at the hearing that the officer has not performed the officer's duty. Also repeals a provision requiring a TxDOT district engineer to advise a county traffic officer on enforcement of state laws regulating highway traffic.

(2nd Reading Amendment 167 by Phillips)

No equivalent provision.

ARTICLE 11. COUNTY TRAFFIC OFFICERS

SECTION 11.01 and SECTION 11.02. Same as House version.

ARTICLE 40. CERTIFICATES OF TITLE; VEHICLE REGISTRATION

SECTIONS 40.001 to 40.230. Amends Chapters 501, 502, 504, 520, and 681, Transportation Code, and Section 386.251(c), Health and Safety Code. Updates, streamlines, and modernizes current law relating to motor vehicles. Consolidates statutes into separate chapters addressing titles, license plates, registration of vehicles, and general administration. Also allows for the use of technology by eliminating statutory barriers to new technology and making

Same as House version.

Do not include either provision. SB 376 passed separately with same provision.

Same as Senate version.

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No equivalent provision.

more transactions available online, while retaining the option of paper or in person transactions.

ARTICLE 42. CONFLICTS WITH FEDERAL LAW

No equivalent provision.

SECTION 42.01. Establishes a process for obtaining a determination from the attorney general whether provisions of the law conflict with federal statute, rule, or regulation. Provides for the attorney general to render a written decision by which TxDOT would not be required to comply to the extent of the conflict and continues in effect the prior law in such a case.

Same as House version.

ARTICLE 42. ABANDONED AND JUNKED VEHICLES

ARTICLE 36. Same as House version.

Same as House version.

SECTION 42.01. Section 683.071, Transportation Code, is amended to eliminate the requirement that a vehicle have both an expired license plate and an invalid motor vehicle inspection certificate. Requires instead only that the vehicle have an expired or missing license plate, or an invalid or missing motor vehicle inspection certificate. *(2nd Reading Amendment 168 by Bohac)*

SECTION 36.01. Same as House version.

Same as House version.

ARTICLE 43. TRANSPORTATION OF FIREWORKS

No equivalent provision.

Same as House version.

SECTION 43.01. Chapter 750, Transportation Code, is

No equivalent provision.

Same as House version.

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amended by adding Section 750.004 to states that the transportation of fireworks in unopened and original packaging may not be prohibited or regulated. *(2nd Reading Amendment 169 by Isett)*

ARTICLE 44. K-9 LAW ENFORCEMENT VEHICLES

No equivalent provision.

Same as Senate version.

SECTION 44.01 and 44.02. Subchapter A, Chapter 821, Health and Safety Code, is amended by adding Section 821.005 to authorize a heat alarm system to be installed by law enforcement agencies, including DPS, the sheriff's department of a county, or the police department of a municipality, in any K-9 vehicle. Requires the heat alarm system, activated when the vehicle stops running or the temperature in the vehicle's interior becomes dangerous to a police dog in that vehicle, to activate an audible alarm, automatically lower the vehicle's rear windows, and page the K-9 officer. Specifies that this does not apply to an open-air vehicle. *(2nd Reading Amendment 170 by Alonzo)*

No equivalent provision.

Same as Senate version.

ARTICLE 45. ACCEPTANCE OF ELECTRONIC CHECK AND CREDIT CARD PAYMENTS BY COUNTY TAX ASSESSOR-COLLECTORS

No equivalent provision.

Same as House version.

SECTION 45.01 and 45.02. Subchapter A and B, Chapter 130, Local Government Code, is amended by adding Section 130.0025 and Section 130.00465 to require that county tax assessor-collectors accept a check or credit card invoice for

No equivalent provision.

SECTION 45.01 and 45.02. Subchapter A and B, Chapter 130, Local Government Code, is amended by adding Section 130.0025 and Section 130.00465 to require that county tax assessor-collectors accept a check or credit card ~~invoice~~ for

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the payment of motor vehicle registration fees and motor vehicle title transfer fees and to accept payment by electronic means as conditional payment of a county or state fee or tax. *(2nd Reading Amendment 171 by Gallego)*

the payment of motor vehicle registration fees and motor vehicle title transfer fees and to accept payment by electronic means as conditional payment of a county or state fee or tax.

ARTICLE 46. TEMPORARY TAGS FOR MOTOR VEHICLES

No equivalent provision.

Same as House version.

SECTION 46.01. Subchapter C, Chapter 503, Transportation Code, is amended by adding Section 503.0619 to require the department to evaluate the material authorized for use in a temporary motor vehicle tag; alternative materials available for use in a temporary motor vehicle tag; the visibility of various tag materials in different types of weather and light conditions; and the effectiveness of different tag materials. Requires the department to seek assistance of law enforcement in evaluating the materials. Provides that if the department determines the materials currently authorized are not effective, the Commission shall by rule adopt new specifications for temporary motor vehicle tags. Requires the evaluation be done by September 1, 2010. *(3rd Reading Amendment 17 by Menendez)*

No equivalent provision.

Same as House version.

No equivalent provision.

ARTICLE 12. ISSUANCE OF GENERAL OBLIGATION BONDS FOR HIGHWAY IMPROVEMENT PROJECTS

No equivalent provision.

SECTIONS 12.01 to 12.03. Subchapter A, Chapter 222, Transportation Code, is amended by adding Section 222.005

Same as Senate but with the following changes to Subsections (g) and (h), Section 222.005, Transportation Code.

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to authorize the issuance of general obligation bonds by the Transportation Commission to fund state highway improvement projects. Sets forth certain limits on the principal amount of the bonds and the use of the proceeds of the bonds and authorizes the commission to enter into credit agreements relating to the bonds. Sets forth that the article does not make an appropriation and that it takes effect only if an appropriation is provided in the General Appropriations Act. Provides for immediate effect.

(g) Bonds may be issued for one or more of the following purposes:

(1) to pay all or part of the costs of highway improvement projects;

(2) to pay:

(A) the costs of administering projects authorized under this section;

(B) the cost or expense of the issuance of the bonds; or

(C) all or part of a payment owed or to be owed under a credit agreement;

(3) to provide money for deposit in the Texas Transportation Revolving Fund or similar revolving fund authorized by law, to be used for the purpose of making loans for highway improvement projects as provided by law; or

(4) to provide money to be used to finance projects authorized by Section 222.104.

(h) The proceeds from the issuance and sale of the bonds may not be expended or used for the purposes authorized under this section unless those proceeds have been appropriated by the legislature. Each biennium for which those proceeds are appropriated to the department, the department shall use money equal to 10 percent of the amount computed by subtracting the amount of the proceeds that are appropriated for that biennium to capitalize the Texas Transportation Revolving Fund or a similar revolving fund authorized by law from the total amount of the proceeds appropriated for that biennium, to finance projects authorized by Section 222.104.

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No equivalent provision.

ARTICLE 14. MOTOR VEHICLE ACCIDENT REPORTS

Do not include. SB 375 passed with same provision.

SECTION 14.01. Section 550.065, Transportation Code, is amended to make the Crime Records Information System database privileged in the same manner that accident reports are privileged. Authorizes TxDOT or governmental entity discretion to make statistical information derived from the database available to the public.

No equivalent provision.

ARTICLE 16. TEXAS TRANSPORTATION REVOLVING FUND

Same as Senate version.

SECTIONS 16.01 to 16.02. Chapter 222, Transportation Code, is amended by adding Subchapter F to provide for the creation, administration, financing, and use of a Texas Transportation Revolving Fund, grants the authority to issue bonds, and provides for immediate effect. .

No equivalent provision.

SECTION 17.02. Provides that Section 222.001(b), Transportation Code, applies only to an agreement to pledge or otherwise encumber money in the state highway fund that is entered into on or after the effective date of this Act, except that that section does not apply to an agreement to pledge or otherwise encumber money in the state highway fund that is associated with the following projects, regardless of whether the agreement is finalized on or after the effective date of this Act:

Do not include - SB 883 contains same provision and passed separately.

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- (1) the State Highway 161 project in Dallas County;
- (2) the Southwest Parkway (State Highway 121) in Tarrant County from Interstate Highway 30 to Dirks Road/Altamesa Boulevard and the Chisholm Trail project from Dirks Road/Altamesa Boulevard to U.S. Highway 67 in the city of Cleburne;
- (3) a project associated with the highway designated as the Trinity Parkway in the city of Dallas;
- (4) the Grand Parkway project (State Highway 99);
- (5) the Hidalgo Loop project in Hidalgo County from U.S. Highway 83 near the Pharr-Reynosa International Bridge to the U.S. Highway 83 Expressway in Penitas to U.S. Highway 281 north of Edinburg to U.S. Highway 83 west of Farm-to-Market Road 1423 to U.S. Highway 83 near the Pharr-Reynosa International Bridge;
- (6) the U.S. Highway 290 project from east of U.S. Highway 183 to east of Farm-to-Market Road 734 in Travis County;
- (7) the State Highway 71 East project from Riverside Drive east to east of State Highway 130 and including the interchange at State Highway 71 East/U.S. Highway 183 South in Travis County;
- (8) the U.S. Highway 183 South project from Springdale Road south to State Highway 71 East in Travis County;
- (9) the Loop 1 added capacity project, comprised of the addition of a managed lane on Loop 1 from Parmer Lane to State Highway 45 South in Travis County;
- (10) any transaction related to the acquisition by a regional mobility authority, a regional tollway authority, or a county acting under Chapter 284 of a toll project of the department all or a portion of which was existing and in operation prior to

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September 1, 2009;

(11) any transaction related to the assumption by a regional mobility authority, a regional tollway authority, or a county acting under Chapter 284 of the operations of a toll project of the department all or a portion of which was existing and in operation prior to September 1, 2009;

(12) the Loop 49 project from U.S. Highway 69 north of Lindale to State Highway 110 in Smith County; or

(13) the U.S. Highway 281 project in Bexar County from Loop 1604 to the Comal County line and including five direct connectors at the Loop 1604/U.S. Highway 281 interchange.

No equivalent provision.

ARTICLE 21. SALES AND LEASES OF MOTOR VEHICLES

SECTION 21.01. Section 2301.476, Occupations Code, is amended to allow a person who on January 19, 2002, held both a converter's license to convert buses with a gross vehicle weight rating of 40,000 pounds or more and a franchised dealer's license, to sell busses, to continue to hold both licenses and operate as both a converter and franchised dealer.

Same as Senate version.

No equivalent provision.

ARTICLE 37. AUTHORITY OF CERTAIN TRANSPORTATION AND TRANSIT AUTHORITIES TO ENFORCE COMPLIANCE WITH HIGH OCCUPANCY VEHICLE LANE RESTRICTIONS

SECTIONS 37.01 37.02. Subchapter B, Chapter 451 and 452 Transportation Code, are separately amended to allow for the use of a sensor or camera to detect when a car is illegally

Same as Senate version.

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exiting or entering an HOV lane. The second version limits the application to an authority that consists of one subregion governed by a subregional board created under Subchapter O, and has entered into an agreement with a governmental entity to operate an HOV lane or provide peace officers to enforce compliance with instructions for HOV lane restrictions.

No equivalent provision.

ARTICLE 38. REGIONAL TOLLWAY AUTHORITIES

Same as Senate version.

SECTIONS 38.01 to 38.03. Sections 366.038, 366.185, and 366.303 Transportation Code, are amended to require a regional tollway authority such as NTTA to provide, for reasonable compensation, tolling services rather than customer service and other collection and enforcement for a certain toll project. Prohibits an authority from providing financial security for the performance of tolling services if the authority determines that it could restrict the amount, or increase the cost, of bonds or other debt obligations. Requires the toll authority to enter into a written agreement before providing tolling services.

Same as Senate version.

No equivalent provision.

SECTION __. Amends Subchapter E, Chapter 203, Transportation Code, by adding Section 203.0923. Requires TxDOT to either reimburse utilities for the relocation of a utility facility or share the expense of the relocation if reimbursement is prohibited under separate law, for projects that are funded in any part with federal funds provided by the American Recovery and Reinvestment Act. Provides that the

Same as House version.

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maximum amount of federal funds TxDOT can spend on relocation is \$25 million, prohibits reimbursement from exceeding the actual expense incurred by the utility, and requires TxDOT to establish a procedure by rule. Provides that the above provisions expire December 31, 2012.
(Senate Floor Amendment 8 by Wentworth)

No equivalent provision.

SECTION __. Instructional Provision. Provides that the Act does not make an appropriation, and specifies that the Act only takes effect if appropriations are provided for in the GAA.
(Senate Floor Amendment 17 by Ogden)

Same as House version.

No equivalent provision.

ARTICLE 20. Urban Transportation Authorities

SECTION 20.01. Authorizes certain communities that have already created local transportation entities, specifically a regional mobility authority, a metropolitan transit authority, and an advanced transportation district, to create an urban transportation authority, with one member of the board of directors to be appointed by the Governor.

Do not include. Same provisions were passed in SB 2096

Adds SECTIONS 20.02 to 20.11. Grants the Capital Metropolitan Transportation Authority the same authority for fare enforcement on the rail line as DART. Removes statute that specifies fare evasion is a crime of moral turpitude. Subjects the Capital Metropolitan Transportation Authority to Sunset review and requires the board to appoint an internal

Do not include. Same provisions were passed in SB 2015 and SB 1263.

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auditor. Adjusts the referendum language. Changes the board composition to more closely mirror the distribution of population among the current member jurisdictions. Requires two appointees to have specific skills (10 yrs experience in accounting/finance and 10 yrs experience in an executive level position); and requires three positions to be elected officials. Provides for staggered 3 year terms with a transition from the current board to the new board between Jan 1 and Sept 30, 2010..

Floor Amendment 16 by Watson

No equivalent provision.

ARTICLE 15. TEXAS MOBILITY FUND

SECTION 15.01. Sections 201.943(b), (e), and (f), Transportation Code, are amended to read as follows:

(b) Obligations must be secured by and payable from a pledge of and lien on all or part of the money in the fund, including revenues of this state that are dedicated or appropriated for deposit to fund. Obligations may be additionally secured by and payable from credit agreements. The commission may pay amounts due on the obligations from discretionary money available to it that is not dedicated to or appropriated for other specific purposes.

(e) Long-term obligations in the amount proposed to be issued by the commission may not be issued unless the comptroller projects in a comptroller's certification that the amount of money dedicated to the fund pursuant to Section 49-k(e), Article III, Texas Constitution, and required to be on deposit in the fund pursuant to Section 49-k(f), Article III, Texas Constitution, together with any other money or revenue that the commission pledges or otherwise commits for those

Same as Senate version.

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purposes, including receipts from credit agreements and money received or to be received from the federal government, and the investment earnings on [that] money in the fund, during each year of the period during which the proposed obligations are scheduled to be outstanding will be equal to at least 110 percent of the requirements to pay the principal of and interest on the proposed long-term obligations during that year.

(f) Short-term obligations in the amount proposed by the commission may not be issued unless the comptroller, in a comptroller's certification:

(1) assumes that the short-term obligations will be refunded and refinanced to mature over a 20-year period with level principal requirements and bearing interest at then current market rates, as determined by the comptroller; and

(2) projects that the amount of money dedicated to the fund pursuant to Section 49-k(e), Article III, Texas Constitution, and required to be on deposit in the fund pursuant to Section 49-k(f), Article III, Texas Constitution, together with any other money or revenue that the commission pledges or otherwise commits for those purposes, including receipts from credit agreements and money received or to be received from the federal government, and the investment earnings on [that] money in the fund, during each year of the assumed 20-year period will be equal to at least 110 percent of the requirements to pay the principal of and interest on the proposed refunding obligations during that year.

SECTION 15.02. This article takes effect immediately if this Act receives a vote of two-thirds of all the

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members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2009.

(13) In ARTICLE 19 of the bill, strike SECTION 19.07 (page 83, lines 42 through 58) and renumber subsequent SECTIONS of that article accordingly.

(14) In the recital to SECTION 19.09 of the bill (page 83, line 67), strike ", (e)".

(15) In SECTION 19.09 of the bill, amended Section 223.208, Transportation Code (page 84, lines 6 through 22), strike amended Subsection (e).

(16) In SECTION 26.07(a) of the bill (page 101, line 42), strike "Act" and substitute "article".

(17) In SECTION 26.07(b) of the bill (page 102, line 7), strike "Act" and substitute "article".

(18) In SECTION 26.08 of the bill (page 102, lines 9, 11, and 13), strike "Act" and substitute "article".

(19) Immediately after SECTION 26.08 of the bill (page 102, between lines 14 and 15), insert the following:

SECTION 26.09. This article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2009.

(20) In SECTION 27.08 of the bill (page 109, lines 36, 38, and 40), strike "Act" and substitute "article".

(21) Immediately after SECTION 27.08 of the bill (page 109, between lines 41 and 42), insert the following:

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SECTION 27.09. This article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2009.

(22) In SECTION 28.02(a) of the bill (page 110, line 6), strike "Act" and substitute "article".

(23) In Section 28.02(b) of the bill (page 110, line 24), strike "Act" and substitute "article".

(24) Immediately after SECTION 28.02 of the bill (page 110, between lines 25 and 26), insert the following:

SECTION 28.03. This article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2009.

(25) Immediately after SECTION 30.01 of the bill (page 113, between lines 23 and 24), insert the following:

SECTION 30.02. This article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2009.

(26) In SECTION 31.03 of the bill (page 114, lines 18, 20, and 21), strike "Act" and substitute "article".

(27) Immediately after SECTION 31.03 of the bill (page 114, between lines 22 and 23), insert the following:

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SECTION 31.04. This article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2009.

Senate Floor Amendment 1, Item 12, by Hegar.

Senate Floor Amendment 7, by Davis, which strikes Section 27.08 in the draft and substitutes the following:

Section 27.08. Provides that the repeal of Section 228.0111, Transportation Code, by this Act does not affect any project described in Section 373.002(b), Transportation Code. Provides that a project described in that subsection is governed by Section 228.0111, as it existed immediately before the effective date of this Act, except for the substitution of "40 years" for "30 years" in subsection 228.0111(p)(3), Transportation Code, and that law is continued in effect for that purpose.

No equivalent provision.

No equivalent provision.

No equivalent provision.

Same as Senate version.

SECTION __.__. Section 284.003, Transportation Code, is amended by adding Subsection (h) to read as follows:

(h) A county may pay an unsuccessful private entity that submits a responsive proposal in response to a request for detailed proposals for a comprehensive development agreement under Subsection (a)(7) a stipulated amount in exchange for the work product contained in that proposal. A stipulated amount must be stated in the request for proposals

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and may not exceed the lesser of one-half of one percent of the contract amount and the value of any work product contained in the proposal that can, as determined by the county, be used by the county in the performance of its functions. The use by a county of any design element contained in an unsuccessful proposal is at the sole risk and discretion of the county and does not confer liability on the recipient of the stipulated amount under this section. After payment of the stipulated amount:

(1) a county owns with the unsuccessful proposer jointly the rights to, and may make use of any work product contained in, the proposal, including the technologies, techniques, methods, processes, ideas, and information contained in the project design; and

(2) the use by the unsuccessful proposer of any portion of the work product contained in the proposal is at the sole risk of the unsuccessful proposer and does not confer liability on a county.

No equivalent provision.

No equivalent provision.

SECTION __.__. Section 366.402(m), Transportation Code, is amended to read as follows:

(m) An authority may pay an unsuccessful private entity that submits a responsive proposal in response to a request for detailed proposals under Subsection (f) a stipulated amount in exchange for the work product contained in that proposal. A stipulated amount must be stated in the request for proposals and may not exceed the lesser of one-half of one percent of the contract amount and the value of any work product contained in the proposal that can, as determined by

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the authority, be used by the authority in the performance of its functions. The use by the authority of any design element contained in an unsuccessful proposal is at the sole risk and discretion of the authority and does not confer liability on the recipient of the stipulated amount under this subsection. After payment of the stipulated amount:

(1) the authority, with the unsuccessful private entity, jointly owns the rights to, and may make use of any work product contained in, the proposal, including the technologies, techniques, methods, processes, ideas, and information contained in the project design; and

(2) the use by the unsuccessful private entity of any portion of the work product contained in the proposal is at the sole risk of the unsuccessful private entity and does not confer liability on the authority.

SECTION __.__. Section 370.306(m), Transportation Code, is amended to read as follows:

(m) An authority may pay an unsuccessful private entity that submits a response to a request for detailed proposals under Subsection (f) a stipulated amount of the final contract price for any costs incurred in preparing that proposal. A stipulated amount must be stated in the request for proposals and may not exceed the lesser of one-half of one percent of the contract amount and the value of any work product contained in the proposal that can, as determined by the authority, be used by the authority in the performance of its functions. The use by the authority of any design element contained in an unsuccessful proposal is at the sole risk and discretion of the authority and does not confer liability on the recipient of the stipulated amount under this subsection. After

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No equivalent provision.

No equivalent provision.

payment of the stipulated amount:

(1) the authority owns the exclusive rights to, and may make use of any work product contained in, the proposal, including the technologies, techniques, methods, processes, and information contained in the project design; and

(2) the work product contained in the proposal becomes the property of the authority.

SECTION __.01. Subchapter C, Chapter 361, Health and Safety Code, is amended by adding Section 361.1127 to read as follows:

Sec. 361.1127. LAND RECLAMATION PROJECTS USING TIRES.

(a) In this section:

(1) "Land reclamation" means the process of restoring an area of excavated, deteriorated, or disturbed land to its approximate natural grade and to prepare or reclaim the land for reuse.

(2) "Scrap tire" has the meaning assigned by Section 361.112.

(b) A person may not begin a land reclamation project using scrap tires without a permit issued by the commission under this chapter.

(c) A person may not use scrap tires for a land reclamation project unless the tires are shredded, split, or quartered as provided by commission rule. The commission may grant an exception to this requirement if the commission finds that circumstances warrant the exception.

(d) The commission may not grant a permit for a land reclamation project using scrap tires before:

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- (1) the commission receives comments or suggestions from:
- (A) the governing body of any municipality in the corporate limits of which the proposed project is located; or
 - (B) if the proposed project is not located in a municipality:
 - (i) the commissioners court of each county in which the proposed project is located;
 - (ii) each groundwater conservation district, if any, in which the proposed project is located; and (C) the Texas Department of Transportation, regarding whether the tires to be interred during the proposed land reclamation project might be diverted into road maintenance projects administered by the department; or
- (2) the expiration of a time period, established by commission rule, in which the entities described by this subsection may offer comments.
- (e) The application to request a permit for a land reclamation project using scrap tires must include at a minimum:
- (1) a legal description of the area to be reclaimed;
 - (2) a map clearly identifying the area to be reclaimed and the topography of the area;
 - (3) an affidavit from the property owner certifying that the reclamation project complies with this section and the rules adopted under this section; and (4) an analysis and evaluation of the environmental impacts on the soil and groundwater in the area of the proposed project that compare the impact of using scrap tires for the proposed reclamation project to the impact of at least one reasonable alternative method of land reclamation for the proposed project.
- (f) The commission by rule shall:
- (1) prescribe minimum standards to protect the soil and water for a land reclamation project using scrap tires; and (2) adopt

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application forms and procedures for the permitting process under this section.

(g) The commission may amend, extend, transfer, or renew a permit issued under this section as provided by this chapter and commission rule.

(h) The notice and hearing procedures provided by this subchapter apply to a permit issued, amended, extended, or renewed under this section.

(i) The commission may, for good cause, deny, revoke, or amend a permit under this section for reasons concerning public health and safety, air or water pollution, land use, or a violation of this section as provided by Section 361.089.

(j) The commission shall enter an agreement with the Texas Department of Transportation to explore and develop opportunities to divert scrap tires from land reclamation projects to recycling projects, including road maintenance programs operated by the department.

SECTION ____ .02. (a) Before September 1, 2010, the Texas Commission on Environmental Quality shall adopt any rules required to implement Section 361.1127, Health and Safety Code, as added by this Act.

(b) On or after the effective date of this Act, any person responsible for an ongoing or pending land reclamation project using scrap tires that has not yet placed the tires below ground may not place the tires below ground until the person has obtained a permit under Section 361.1127, Health and Safety Code, as added by this Act.

(c) To the extent that a land reclamation project using scrap tires has placed tires below ground before the effective date of this Act, the project is subject to the law in effect on the date

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No equivalent provision.

ARTICLE 41. MOBILITY IMPROVEMENTS

SECTIONS 41.01 to 41.62. Adds Chapters 92 and 18, and amends Section 502.003, Transportation Code. Amends Chapter 162, Tax Code. Requires the department to coordinate the planning, construction, operation, and maintenance of a statewide passenger rail system.

Requires the TxDOT Rail Division to designate at least one (but no more than five) Metropolitan Planning Organizations (MPOs) as an Urban Passenger Rail “demonstration program.” Specifies that the “demonstration program(s)” selected must be located in urban areas of the state (defined as an “MPO that contains at least one county with a population over 300,000 or a county with a population greater than 200,000 and less than 230,000”. Only MPOs that contain a county over 300,000 or a county with a population greater than 200,000 and less than 230,000 may apply to TxDOT to be considered a “demonstration project.” MPOs are not required to apply; and any application must be accompanied by a resolution of support from the commissioner’s court of a county over 300,000 or a county with a population greater

the tires were placed below ground, and that law is continued in effect for that purpose.

(d) Before September 1, 2010, the Texas Commission on Environmental Quality shall enter the agreement with the Texas Department of Transportation as required by Section 361.1127(j), Health and Safety Code, as added by this Act.

Same as House provision.

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than 200,000 and less than 230,000.

Requires TxDOT to make the designation decision based on the applications it receives. TxDOT must make its decision by Jan. 1, 2010 and must conduct two public hearings.

Specifies that if TxDOT selects an MPO as a “demonstration program,” then all of the counties in that MPO are granted local taxing option powers (i.e. the ability to call an election and put new funding tools and projects on the ballot). Specifies that being selected as a demonstration program gives counties within an MPO the authority to proceed with the local option tax, but does not require them to do so. To proceed, the commissioner’s courts within the MPO representing 66 percent of the population must decide to proceed with an election. At an election, all projects and methods of finance must be listed on the ballot. Provides that elections may only be held on the November uniform election date and cannot be held prior to Nov. 2010; nor can they be held more than once every two years.

The available funding tools include the gas tax at 5 or 10 cents, the mobility improvement fee (\$1-\$60), and the driver’s license fee (\$1-\$24). Any fees or tax approved by the voters must expire when the bonds for the designated project are paid off.

(Senate Floor Amendment 11 by Carona as amended by Senate Floor Amendment 12 by Averitt)

SECTION _____. Section 201.109(b), Transportation Code, is

No equivalent provision.

Same as House version.

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amended to read as follows:

(b) In carrying out this section, the commission shall provide for: (1) ~~[maximizing the generation of revenue from existing assets of the department, including real estate;~~

~~[(2) increasing the role of the private sector and public-private projects in the leasing of real estate and other assets in the development of highway projects;~~

~~[(3)]~~ setting and attempting to meet annual revenue enhancement goals;

(2) ~~[(4)]~~ reporting on the progress in meeting revenue enhancement goals in the department's annual report;

(3) ~~[(5)]~~ contracting for an independent audit of the department's management and business operations in 2007 and each 12th year after 2007; and

(4) ~~[(6)]~~ developing a cost-benefit analysis between the use of local materials previously incorporated into roadways versus use of materials blended or transported from other sources; and

~~[(7) increasing private investment in the transportation infrastructure, including the acquisition of causeways, bridges, tunnels, turnpikes, or other transportation facilities, in the border region, including the counties of Atascosa, Bandera, Bexar, Brewster, Brooks, Cameron, Crockett, Culberson, Dimmit, Duval, Edwards, El Paso, Frio, Hidalgo, Hudspeth, Jeff Davis, Jim Hogg, Jim Wells, Kenedy, Kerr, Kimble, Kinney, Kleberg, La Salle, Live Oak, Maverick, McMullen, Medina, Nueces, Pecos, Presidio, Real, Reeves, San Patricio, Starr, Sutton, Terrell, Uvalde, Val Verde, Webb, Willacy, Zapata, and Zavala].~~

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No equivalent provision.

ARTICLE 39. AUTOMATED TRAFFIC CONTROL SYSTEMS.

Same as Senate version.

Prohibits a county and the Department of Public Safety from using automated traffic control systems to enforce compliance with posted speed limits.

ARTICLE 47. EFFECTIVE DATE

ARTICLE 48. Same as House version.

Same as House version.

SECTION 47.01. This Act takes effect September 1, 2009.

SECTION 48.01. Same as House version.

Same as House version.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 30, 2009

**TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives**

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB300 by Isett (Relating to the continuation and functions of the Texas Department of Transportation; providing penalties.), Conference Committee Report

The fiscal implications of the bill cannot be determined at this time.

Local Government Impact

The fiscal implications of the bill cannot be determined at this time.

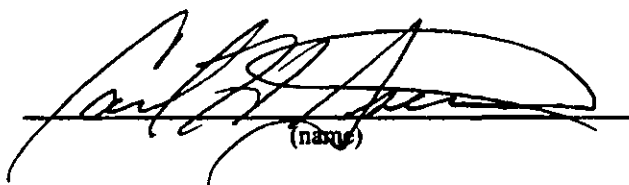
Source Agencies:

LBB Staff: JOB, KJG, TG

Certification of Compliance with Rule 13, Section 6(b), House Rules of Procedure

Rule 13, Section 6(b), House Rules of Procedure, requires that a copy of a conference committee report signed by a majority of each committee of the conference must be furnished to each member of the committee in person or if unable to deliver in person by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Section 10(a) of this rule. The paper copies of the report submitted to the chief clerk under Section 10(b) of this rule must contain a certificate that the requirement of this subsection has been satisfied, and that certificate must be attached to the printed copy of the report furnished to each member under Section 10(d) of this rule. Failure to comply with this subsection is not a sustainable point of order under this rule.

I certify that a copy of the conference committee report on H. B. 300 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Section 10(b), Rule 13, House Rules of Procedure.


(name)

30/11/09
(date)