

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

May 30, 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 SB 1263 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.

Kirk Watson
Kirk Watson (Chair)

John Carona
John Carona

Rodney Ellis
Rodney Ellis

Eliot Shapleigh
Eliot Shapleigh

Jeff Wentworth
On the part of the Senate
Jeff Wentworth

Eddie Rodriguez
Eddie Rodriguez (Chair)

Gattis
Gattis

Coleman
Coleman

Thompson
Thompson

Kleinschmidt
On the part of the House
Kleinschmidt

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

3rd Printing

S.B. No. 1263

A BILL TO BE ENTITLED

AN ACT

1
2 relating to certain mass transit entities.

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

4 SECTION 1. Sections 451.0611(e) and (f), Transportation
5 Code, are amended to read as follows:

6 (e) The notice required by Subsection (d)(2) may be included
7 in a citation issued to the person under Article 14.06, Code of
8 Criminal Procedure, or under Section 451.0612, in connection with
9 an offense relating to the nonpayment of the appropriate fare or
10 charge for the use of the public transportation system.

11 (f) An offense under Subsection (d) is:

12 (1) a Class C misdemeanor; and

13 (2) not a crime of moral turpitude.

14 SECTION 2. Subchapter B, Chapter 451, Transportation Code,
15 is amended by adding Section 451.0612 to read as follows:

16 Sec. 451.0612. FARE ENFORCEMENT OFFICERS IN CERTAIN
17 AUTHORITIES. (a) An authority confirmed before July 1, 1985, in
18 which the principal municipality has a population of less than
19 750,000 may employ persons to serve as fare enforcement officers to
20 enforce the payment of fares for use of the public transportation
21 system by:

22 (1) requesting and inspecting evidence showing
23 payment of the appropriate fare from a person using the public
24 transportation system; and

1 (2) issuing a citation to a person described by
2 Section 451.0611(d)(1).

3 (b) Before commencing duties as a fare enforcement officer,
4 a person must complete a 40-hour training course approved by the
5 authority that is appropriate to the duties required of a fare
6 enforcement officer.

7 (c) While performing duties, a fare enforcement officer
8 shall:

9 (1) wear a distinctive uniform that identifies the
10 officer as a fare enforcement officer; and

11 (2) work under the direction of the authority's
12 manager of safety and security.

13 (d) A fare enforcement officer may:

14 (1) request evidence showing payment of the
15 appropriate fare from passengers of the public transportation
16 system;

17 (2) request personal identification from a passenger
18 who does not produce evidence showing payment of the appropriate
19 fare on request by the officer;

20 (3) request that a passenger leave the public
21 transportation system if the passenger does not possess evidence of
22 payment of the appropriate fare; and

23 (4) file a complaint in the appropriate court that
24 charges the person with an offense under Section 451.0611(d).

25 (e) A fare enforcement officer may not carry a weapon while
26 performing duties under this section.

27 (f) A fare enforcement officer is not a peace officer and

1 has no authority to enforce a criminal law, other than the authority
2 possessed by any other person who is not a peace officer.

3 SECTION 3. Section 451.108(c), Transportation Code, is
4 amended to read as follows:

5 (c) A peace officer commissioned under this section, except
6 as provided by Subsections (d) and (e), or a peace officer
7 contracted for employment by an authority confirmed before July 1,
8 1985, in which the principal municipality has a population of less
9 than 750,000, may:

10 (1) make an arrest in any county in which the transit
11 authority system is located as necessary to prevent or abate the
12 commission of an offense against the law of this state or a
13 political subdivision of this state if the offense or threatened
14 offense occurs on or involves the transit authority system;

15 (2) make an arrest for an offense involving injury or
16 detriment to the transit authority system;

17 (3) enforce traffic laws and investigate traffic
18 accidents that involve or occur in the transit authority system;
19 and

20 (4) provide emergency and public safety services to
21 the transit authority system or users of the transit authority
22 system.

23 SECTION 4. Section 451.061, Transportation Code, is amended
24 by amending Subsection (d) and adding Subsection (d-1) to read as
25 follows:

26 (d) Except as provided by Subsection (d-1), the [The] fares,
27 tolls, charges, rents, and other compensation established by an

1 authority in which the principal municipality has a population of
2 less than 1.2 million may not take effect until approved by a
3 majority vote of a committee composed of:

4 (1) five members of the governing body of the
5 principal municipality, selected by that governing body;

6 (2) three members of the commissioners court of the
7 county having the largest portion of the incorporated territory of
8 the principal municipality, selected by that commissioners court;
9 and

10 (3) three mayors of municipalities, other than the
11 principal municipality, located in the authority, selected by:

12 (A) the mayors of all the municipalities, except
13 the principal municipality, located in the authority; or

14 (B) the mayor of the most populous municipality,
15 other than the principal municipality, in the case of an authority
16 in which the principal municipality has a population of less than
17 300,000.

18 (d-1) The establishment of or a change to fares, tolls,
19 charges, rents, and other compensation by an authority confirmed
20 before July 1, 1985, in which the principal municipality has a
21 population of less than 750,000, takes effect immediately on
22 approval by a majority vote of the board, except that the
23 establishment of or a change to a single-ride base fare takes effect
24 on the 60th day after the date the board approves the fare or change
25 to the fare, unless the policy board of the metropolitan planning
26 organization that serves the area of the authority disapproves the
27 fare or change to the fare by a majority vote.

1 SECTION 5. Section 451.071, Transportation Code, is amended
2 by adding Subsections (g) and (h) to read as follows:

3 (g) This section does not require the authority to hold a
4 referendum on a proposal to enter into a contract or interlocal
5 agreement to build, operate, or maintain a fixed rail transit
6 system for another entity. Notwithstanding Subsection (d) the
7 authority may spend funds of the authority to enter into a contract
8 and operate under that contract to build, operate, or maintain a
9 fixed rail transit system if the other entity will reimburse the
10 authority for the funds.

11 (h) A referendum held by a political subdivision, the
12 authority, or an entity other than the authority at which funding is
13 approved for a fixed rail transit system is considered to meet the
14 requirements of Subsections (d) and (e) and Section 451.3625 if the
15 notice for the election called by the political subdivision, the
16 authority, or other entity contains the description required by
17 Subsection (c). The referendum may allow for financial
18 participation of more than one political subdivision or entity.
19 The authority may only spend funds of the authority if the
20 referendum authorizes that expenditure.

21 SECTION 6. Subchapter J, Chapter 451, Transportation Code,
22 is amended by adding Sections 451.458, 451.459, and 451.460 to read
23 as follows:

24 Sec. 451.458. INTERNAL AUDITOR. (a) This section applies
25 only to an authority confirmed before July 1, 1985, in which the
26 principal municipality has a population of less than 750,000.

27 (b) The board shall appoint a qualified individual to

1 perform internal auditing services for a term of five years. The
2 board may remove the auditor only on the affirmative vote of at
3 least three-fourths of the members of the board.

4 (c) The auditor shall report directly to the board.

5 Sec. 451.459. SUNSET REVIEW. (a) An authority confirmed
6 before July 1, 1985, in which the principal municipality has a
7 population of less than 750,000 is subject to review under Chapter
8 325, Government Code (Texas Sunset Act), as if it were a state
9 agency but may not be abolished under that chapter. The review
10 shall be conducted as if the authority were scheduled to be
11 abolished September 1, 2011. In addition, another review shall be
12 conducted as if the authority were scheduled to be abolished
13 September 1, 2017. The reviews conducted under this section must
14 include an assessment of the governance, management, and operating
15 structure of the authority and the authority's compliance with the
16 duties and requirements placed on it by the legislature.

17 (b) The authority shall pay the cost incurred by the Sunset
18 Advisory Commission in performing a review of the authority under
19 this section. The Sunset Advisory Commission shall determine the
20 cost, and the authority shall pay the amount promptly on receipt of
21 a statement from the Sunset Advisory Commission detailing the cost.

22 Sec. 451.460. ANNUAL REPORT. (a) This section applies only
23 to an authority confirmed before July 1, 1985, in which the
24 principal municipality has a population of less than 750,000.

25 (b) The authority shall provide an annual report to each
26 governing body of a municipality or county in the authority
27 regarding the status of any financial obligation of the authority

1 to the municipality or county.

2 SECTION 7. Section 451.5021, Transportation Code, is
3 amended by amending Subsections (a), (b), (d), and (e) and adding
4 Subsections (b-1), (d-1), (d-2), and (d-3) to read as follows:

5 (a) This section applies only to the board of an authority
6 created before July 1, 1985, in which the principal municipality
7 has a population of less than 750,000 [~~in which each member of the~~
8 ~~governing body of the principal municipality is elected at large~~].

9 (b) Members of the [The] board [~~is composed of seven members~~
10 ~~who~~] are appointed as follows:

11 (1) one member, who is an elected official, [~~two~~
12 ~~members representing the general public~~] appointed by the
13 metropolitan planning organization designated by the governor that
14 serves the area of the authority;

15 (2) two members, one who must be and one who may be an
16 elected official, [~~two members~~] appointed by the governing body of
17 the principal municipality;

18 (3) one member appointed by the commissioners court of
19 the principal county;

20 (4) one member appointed by the commissioners court of
21 the county, excluding the principal county, that has the largest
22 population of the counties in the authority [~~a panel composed of the~~
23 ~~mayors of all the municipalities in the authority located in the~~
24 ~~principal county of the authority, excluding the mayor of the~~
25 ~~principal municipality~~]; [and]

26 (5) one member, who is an elected official, appointed
27 by a panel composed of [+]

1 ~~[(A)]~~ the mayors of all municipalities in the
2 authority ~~[located outside the principal county of the authority]~~,
3 excluding the mayor of the principal municipality;

4 (6) one member, who has at least 10 years of experience
5 as a financial or accounting professional, appointed by the
6 metropolitan planning organization that serves the area in which
7 the authority is located;

8 (7) one member, who has at least 10 years of experience
9 in an executive-level position in a public or private organization,
10 including a governmental entity, appointed by the metropolitan
11 planning organization that serves the area in which the authority
12 is located; and

13 (8) two members appointed by the metropolitan planning
14 organization that serves the area in which the authority is
15 located, if according to the most recent federal decennial census
16 more than 35 percent of the population in the territory of the
17 authority resides outside the principal municipality ~~[(B) the~~
18 ~~county judges of the counties having unincorporated area in the~~
19 ~~authority, excluding the county judge of the principal county; and~~

20 ~~[(C) the presiding officer of each municipal~~
21 ~~utility district that~~

22 ~~[(i) has a majority of its territory~~
23 ~~located outside the principal county; and~~

24 ~~[(ii) is located wholly or partly in the~~
25 ~~authority].~~

26 (b-1) Notwithstanding Section 451.505, members of the board
27 serve staggered three-year terms, with the terms of two or three

1 members, as applicable, expiring June 1 of each year.

2 (d) A person appointed under Subsection (b)(1), (2)
3 [~~(b)(2), (3), (4)~~], or (5), except as provided by Subsection
4 (b)(2):

5 (1) must be a member of the governing body:

6 (A) of the political subdivision that is entitled
7 to make the appointment; or

8 (B) over which a member of the panel entitled to
9 make an appointment presides;

10 (2) vacates the office of board member if the person
11 ceases to be a member of the governing body described by Subdivision
12 (1);

13 (3) serves on the board as an additional duty of the
14 office held on the governing body described by Subdivision (1); and

15 (4) is not entitled to compensation for serving as a
16 member of the board.

17 (d-1) At least two members appointed under Subsections
18 (b)(1), (6), and (7) must be qualified voters residing in the
19 principal municipality.

20 (d-2) A person appointed under Subsection (b)(3) must:

21 (1) have the person's principal place of occupation or
22 employment in the portion of the authority's service area that is
23 located in the principal county; or

24 (2) be a qualified voter of the principal county.

25 (d-3) A person appointed under Subsection (b)(4) must:

26 (1) have the person's principal place of occupation or
27 employment in the portion of the authority's service area that is

1 located in the county, other than the principal county, that has the
2 largest population of the counties in the authority; or

3 (2) be a qualified voter of the county, other than the
4 principal county, that has the largest population of the counties
5 in the authority.

6 (e) A panel appointing a member under Subsection (b)(5)
7 [~~this section~~] operates in the manner prescribed by Section
8 451.503.

9 SECTION 8. Section 451.505(b), Transportation Code, is
10 amended to read as follows:

11 (b) The terms of members of a board are staggered if the
12 authority was[+

13 [~~(1)~~] created before 1980 and has a principal
14 municipality with a population of less than 1.2 million[~~+~~ or

15 [~~(2) confirmed before July 1, 1985, and has a~~
16 ~~principal municipality with a population of less than 750,000].~~

17 SECTION 9. Subsections (g) and (h), Section 451.5021,
18 Transportation Code, are repealed.

19 SECTION 10. (a) This section applies only to a member of
20 the board of a metropolitan rapid transit authority created before
21 July 1, 1985, in which the principal municipality has a population
22 of 750,000 or less.

23 (b) The term of a board member that is scheduled, under the
24 law as it existed before the effective date of this Act, to expire:

25 (1) after the effective date of this Act but before
26 January 1, 2010, is extended to December 31, 2009; and

27 (2) on or after January 1, 2010, expires on the date

1 the term was scheduled to expire under this law as it existed before
2 the effective date of this Act.

3 (c) As soon as practicable on or after the effective date of
4 this Act, but not later than December 31, 2009, the persons and
5 entities specified in Section 451.5021, Transportation Code, as
6 amended by this Act, shall appoint the members of the board in
7 compliance with that section, as amended, to serve terms that
8 begin, as applicable and as subject to Subsection (d) of this
9 section:

10 (1) January 1, 2010; or

11 (2) the day after a term expires under Subsection
12 (b)(2) of this section.

13 (d) A vacancy created because of the expiration of a term
14 under Subsection (b) of this section is filled in the following
15 manner:

16 (1) for a member appointed under Section
17 451.5021(b)(1), Transportation Code, under the law as it existed
18 before the effective date of this Act:

19 (A) one vacancy shall be filled by the appointing
20 person or entity specified by Section 451.5021(b)(6),
21 Transportation Code, as added by this Act; and

22 (B) one vacancy shall be filled by the appointing
23 person or entity specified by Section 451.5021(b)(7),
24 Transportation Code, as added by this Act;

25 (2) for a member appointed under Section
26 451.5021(b)(2), Transportation Code, under the law as it existed
27 before the effective date of this Act:

1 (A) one vacancy shall be filled by the appointing
2 person or entity specified by Section 451.5021(b)(1),
3 Transportation Code, as amended by this Act; and

4 (B) one vacancy shall be filled by the appointing
5 person or entity specified by Section 451.5021(b)(2),
6 Transportation Code, as amended by this Act;

7 (3) for a member appointed under Section
8 451.5021(b)(3), Transportation Code, under the law as it existed
9 before the effective date of this Act, the vacancy shall be filled
10 by the appointing person or entity specified by Section
11 451.5021(b)(3), Transportation Code, as amended by this Act;

12 (4) for a member appointed under Section
13 451.5021(b)(4), Transportation Code, under the law as it existed
14 before the effective date of this Act, the vacancy shall be filled
15 by the appointing person or entity specified by Section
16 451.5021(b)(5), Transportation Code, as amended by this Act; and

17 (5) for a member appointed under Section
18 451.5021(b)(5), Transportation Code, under the law as it existed
19 before the effective date of this Act, the vacancy shall be filled
20 by the appointing person or entity specified by Section
21 451.5021(b)(4), Transportation Code, as amended by this Act.

22 (e) The members of the board appointed under Subsection (c)
23 of this section shall draw lots to determine which terms of two
24 members expire June 1, 2011, which terms of three members expire
25 June 1, 2012, and which terms of three members expire June 1, 2013.

26 (f) As soon as practicable after the metropolitan planning
27 organization specified by Section 451.5021(b)(8), Transportation

1 Code, as added by this Act, determines that that subdivision
2 applies to the metropolitan rapid transit authority, the
3 metropolitan planning organization shall appoint:

4 (1) one member of the board of the authority for a term
5 to expire June 1, 2011, or, if that date has passed, the following
6 six-year anniversary of that date; and

7 (2) one member of the board of the authority for a term
8 to expire June 1, 2013, or, if that date has passed, the following
9 six-year anniversary of that date.

10 SECTION 11. This Act takes effect September 1, 2009.

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SECTION 1. Section 2171.055, Government Code, is amended by adding Subsection (i) to read as follows:

(i) An officer or employee of a transportation or transit authority or department established under Chapter 451, 452, or 453, Transportation Code, who is engaged in official business of the authority or department may participate in the comptroller's contracts for travel services. The comptroller may charge a participating authority or department a fee not to exceed the costs incurred by the comptroller in providing services under this subsection. The comptroller shall periodically review fees and shall adjust them as needed to ensure recovery of costs incurred in providing services to authorities and departments under this subsection.

No equivalent provision.

Same as House version.

SECTION 2. Section 451.061, Transportation Code, is amended by amending Subsection (d) and adding Subsection (d-1) to read as follows:

(d) Except as provided by Subsection (d-1), the [The] fares, tolls, charges, rents, and other compensation established by an authority in which the principal municipality has a population of less than 1.2 million may not take effect until approved by a majority vote of a committee composed of:

- (1) five members of the governing body of the principal municipality, selected by that governing body;
- (2) three members of the commissioners court of the county having the largest portion of the incorporated territory of the principal municipality, selected by that

SECTION ____ Same as Senate version.

SECTION 4. Same as Senate version.

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commissioners court; and

(3) three mayors of municipalities, other than the principal municipality, located in the authority, selected by:

(A) the mayors of all the municipalities, except the principal municipality, located in the authority; or

(B) the mayor of the most populous municipality, other than the principal municipality, in the case of an authority in which the principal municipality has a population of less than 300,000.

(d-1) The establishment of or a change to fares, tolls, charges, rents, and other compensation by an authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000, takes effect immediately on approval by a majority vote of the board, except that the establishment of or a change to a single-ride base fare takes effect on the 60th day after the date the board approves the fare or change to the fare, unless the policy board of the metropolitan planning organization that serves the area of the authority disapproves the fare or change to the fare by a majority vote.

SECTION 3. Subsections (e) and (f), Section 451.0611, Transportation Code, are amended to read as follows:

(e) The notice required by Subsection (d)(2) may be included in a citation issued to the person under Article 14.06, Code of Criminal Procedure, or under Section 451.0612, in connection with an offense relating to the

SECTION 1. Same as Senate version.

SECTION 1. Same as Senate version.

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nonpayment of the appropriate fare or charge for the use of the public transportation system.

(f) An offense under Subsection (d) is:

- (1) a Class C misdemeanor; and
- (2) not a crime of moral turpitude.

SECTION 4. Subchapter B, Chapter 451, Transportation Code, is amended by adding Section 451.0612 to read as follows:

Sec. 451.0612. FARE ENFORCEMENT OFFICERS IN CERTAIN AUTHORITIES. (a) An authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000 may employ persons to serve as fare enforcement officers to enforce the payment of fares for use of the public transportation system by:

(1) requesting and inspecting evidence showing payment of the appropriate fare from a person using the public transportation system; and

(2) issuing a citation to a person described by Section 451.0611(d)(1).

(b) Before commencing duties as a fare enforcement officer, a person must complete a 40-hour training course approved by the authority that is appropriate to the duties required of a fare enforcement officer.

(c) While performing duties, a fare enforcement officer shall:

(1) wear a distinctive uniform that identifies the officer as a fare enforcement officer; and

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SECTION 2. Same as Senate version.

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(2) work under the direction of the authority's manager of safety and security.

(d) A fare enforcement officer may:

(1) request evidence showing payment of the appropriate fare from passengers of the public transportation system;

(2) request personal identification from a passenger who does not produce evidence showing payment of the appropriate fare on request by the officer;

(3) request that a passenger leave the public transportation system if the passenger does not possess evidence of payment of the appropriate fare; and

(4) file a complaint in the appropriate court that charges the person with an offense under Section 451.0611(d).

(e) A fare enforcement officer may not carry a weapon while performing duties under this section.

(f) A fare enforcement officer is not a peace officer and has no authority to enforce a criminal law, other than the authority possessed by any other person who is not a peace officer.

SECTION 5. Section 451.071, Transportation Code, is amended by adding Subsections (b-1) and (g) to read as follows:

(b-1) The ballot may not permit the fixed rail transit system, or a proposal to expand a system, and the method of funding for the system or expansion of the system to be voted on as separate options. All fixed rail transit systems, proposals to expand a system, and

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SECTION 4. Section 451.071, Transportation Code, is amended by adding Subsections (g) and (h) to read as follows:

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SECTION 5. Same as House version.

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methods of funding included on a ballot must be approved or rejected as a group.

(g) This section does not require the authority to hold a referendum on a proposal to:

(1) enter into a contract to build, operate, or maintain a fixed rail transit system for another entity;

(2) expand a system previously approved under this section if the proposed expansion involves the addition of not more than one mile of track to the system; or

(3) enter into an interlocal agreement to build, operate, or maintain a system previously approved under this section.

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(g) This section does not require the authority to hold a referendum on a proposal to

enter into a contract or interlocal agreement to build, operate, or maintain a fixed rail transit system for another entity.

Notwithstanding Subsection (d) the authority may spend funds of the authority to enter into a contract and operate under that contract to build, operate, or maintain a fixed rail transit system if the other entity will reimburse the authority for the funds.

(h) A referendum held by a political subdivision, the authority or an entity other than the authority at which funding is approved for a fixed rail transit system is considered to meet the requirements of Subsections (d) and (e) and Section 451.3625 if the notice for the election called by the political subdivision, the authority or other entity contains the description required by Subsection (c). The referendum may allow for financial participation of more than one political subdivision or entity. The authority may only spend funds of the authority if the referendum authorizes that expenditure.

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SECTION 6. Subsection (c), Section 451.108, Transportation Code, is amended to read as follows:

(c) A peace officer commissioned under this section, except as provided by Subsections (d) and (e), or a peace officer contracted for employment by an authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000, may:

- (1) make an arrest in any county in which the transit authority system is located as necessary to prevent or abate the commission of an offense against the law of this state or a political subdivision of this state if the offense or threatened offense occurs on or involves the transit authority system;
- (2) make an arrest for an offense involving injury or detriment to the transit authority system;
- (3) enforce traffic laws and investigate traffic accidents that involve or occur in the transit authority system; and
- (4) provide emergency and public safety services to the transit authority system or users of the transit authority system.

SECTION 7. Subchapter J, Chapter 451, Transportation Code, is amended by adding Sections 451.458, 451.459, and 451.460 to read as follows:

Sec. 451.458. INTERNAL AUDITOR. (a) This section applies only to an authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000.

(b) The board shall enter into a contract with a qualified

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SECTION 3. Same as Senate version.

SECTION 5. Subchapter J, Chapter 451, Transportation Code, is amended by adding Sections 451.458, 451.459, and 451.460 to read as follows:

Sec. 451.458. INTERNAL AUDITOR. (a) This section applies only to an authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000.

(b) The board shall appoint a qualified individual to

CONFERENCE

SECTION 3. Same as Senate version.

SECTION 6. Same as House version.

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individual to perform internal auditing services as specified in the contract. A contract entered into under this section may be renewed for subsequent fiscal years of the authority but may not be renewed for more than three consecutive fiscal years.

(c) The contract must require the auditor to report directly to the board.

Sec. 451.459. SUNSET REVIEW. (a) An authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000 is subject to review under Chapter 325, Government Code (Texas Sunset Act), as if it were a state agency but may not be abolished under that chapter. The review shall be conducted as if the authority were scheduled to be abolished September 1, 2011. In addition, another review shall be conducted as if the authority were scheduled to be abolished September 1, 2016. The reviews conducted under this section must include an assessment of the governance, management, and operating structure of the authority and the authority's compliance with the duties and requirements placed on it by the legislature.

(b) The authority shall pay the cost incurred by the Sunset Advisory Commission in performing a review of the authority under this section. The Sunset Advisory Commission shall determine the cost, and the authority shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.

Sec. 451.460. ANNUAL REPORT. (a) This section

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perform internal auditing services for a term of five years. The board may remove the auditor only on the affirmative vote of at least three-fourths of the members of the board.

(c) The auditor shall report directly to the board.

Sec. 451.459. SUNSET REVIEW. (a) An authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000 is subject to review under Chapter 325, Government Code (Texas Sunset Act), as if it were a state agency but may not be abolished under that chapter. The review shall be conducted as if the authority were scheduled to be abolished September 1, 2011. In addition, another review shall be conducted as if the authority were scheduled to be abolished September 1, 2017. The reviews conducted under this section must include an assessment of the governance, management, and operating structure of the authority and the authority's compliance with the duties and requirements placed on it by the legislature.

(b) The authority shall pay the cost incurred by the Sunset Advisory Commission in performing a review of the authority under this section. The Sunset Advisory Commission shall determine the cost, and the authority shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.

Sec. 451.460. ANNUAL REPORT. (a) This section

CONFERENCE

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applies only to an authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000.

(b) The authority annually shall provide a report to the governing body of each municipality or county in the authority to which the authority is financially obligated regarding the status of the financial obligation.

SECTION 8. Section 451.5021, Transportation Code, is amended by amending Subsections (a), (b), and (d) and adding Subsections (b-1), (d-1), (d-2), and (d-3) to read as follows:

(a) This section applies only to the board of an authority created before July 1, 1985, in which the principal municipality has a population of less than 750,000 ~~in which each member of the governing body of the principal municipality is elected at large~~.

(b) Members of the [The] board ~~[is composed of seven members who]~~ are appointed as follows:

(1) one member, who is an elected official, ~~[two members representing the general public]~~ appointed by the metropolitan planning organization designated by the governor that serves the area of the authority;

(2) one member, who is an elected official, ~~[two members]~~ appointed by the governing body of the principal municipality;

(3) one member jointly appointed by:

(A) the governing body of the principal municipality;
and

HOUSE VERSION

applies only to an authority confirmed before July 1, 1985, in which the principal municipality has a population of less than 750,000.

(b) The authority shall provide an annual report to each governing body of a municipality or county in the authority regarding the status of any financial obligation of the authority to the municipality or county.

SECTION 6. Section 451.5021, Transportation Code, is amended by amending Subsections (a), (b), (d), and (e) and adding Subsections (b-1), (d-1), (d-2), (d-3), and (e-1) to read as follows:

(a) This section applies only to the board of an authority created before July 1, 1985, in which the principal municipality has a population of less than 750,000 ~~in which each member of the governing body of the principal municipality is elected at large~~.

(b) Members of the [The] board ~~[is composed of seven members who]~~ are appointed as follows:

(1) one member, who is an elected official, ~~[two members representing the general public]~~ appointed by the metropolitan planning organization designated by the governor that serves the area of the authority;

(2) one member, who is an elected official, ~~[two members]~~ appointed by the governing body of the principal municipality;

(3) one member jointly appointed by:

(A) the governing body of the principal municipality;
and

CONFERENCE

SECTION 7. Same as House version, except as follows:

(2) two members, one who must be and one who may be an elected official, ~~[two members]~~ appointed by the governing body of the principal municipality;

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- (B) the commissioners court of the principal county;
(4) one member jointly appointed by;
(A) the governing body of the principal municipality;
and
(B) the commissioners court of the county, excluding the principal county, that has the largest population of the counties in the authority [a panel composed of the mayors of all the municipalities in the authority located in the principal county of the authority, excluding the mayor of the principal municipality]; [and]
(5) one member, who is an elected official, appointed by a panel composed of:
(A) the mayors of all municipalities in the authority [located outside the principal county of the authority], excluding the mayor of the principal municipality; and
(B) the county judges of the counties having unincorporated area in the authority;
(6) one member, who has at least 10 years of experience as a financial or accounting professional, appointed by the metropolitan planning organization that serves the area in which the authority is located;
(7) one member, who has at least 10 years of experience in an executive-level position in a public or private organization, including a governmental entity, appointed by the metropolitan planning organization that serves the area in which the authority is located; and
(8) two members appointed by the metropolitan planning organization that serves the area in which the authority is located, if according to the most recent

HOUSE VERSION

- (B) the commissioners court of the principal county;
(4) one member jointly appointed by;
(A) the governing body of the principal municipality;
and
(B) the commissioners court of the county, excluding the principal county, that has the largest population of the counties in the authority [a panel composed of the mayors of all the municipalities in the authority located in the principal county of the authority, excluding the mayor of the principal municipality]; [and]
(5) one member, who is an elected official, appointed by a panel composed of[=
[(A)] the mayors of all municipalities in the authority [located outside the principal county of the authority], excluding the mayor of the principal municipality;

(6) one member, who has at least 10 years of experience as a financial or accounting professional, appointed by the metropolitan planning organization that serves the area in which the authority is located;
(7) one member, who has at least 10 years of experience in an executive-level position in a public or private organization, including a governmental entity, appointed by the metropolitan planning organization that serves the area in which the authority is located; and
(8) two members appointed by the metropolitan planning organization that serves the area in which the authority is located, if according to the most recent

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- (3) one member appointed by the commissioners court of the county, excluding the principal county, that has the largest population of the counties in the authority

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federal decennial census more than 35 percent of the population in the territory of the authority resides outside the principal municipality

~~[, excluding the county judge of the principal county; and [(C) the presiding officer of each municipal utility district that:~~

~~[(i) has a majority of its territory located outside the principal county; and~~

~~[(ii) is located wholly or partly in the authority].~~

(b-1) Notwithstanding Section 451.505, members of the board serve staggered three-year terms, with the terms of two or three members, as applicable, expiring June 1 of each year.

(d) A person appointed under Subsection (b)(1), (2) ~~[(b)(2), (3), (4)]~~, or (5):

(1) must be a member of the governing body:

(A) of the political subdivision that is entitled to make the appointment; or

(B) over which a member of the panel entitled to make an appointment presides;

(2) vacates the office of board member if the person ceases to be a member of the governing body described by Subdivision (1);

(3) serves on the board as an additional duty of the office held on the governing body described by Subdivision (1); and

(4) is not entitled to compensation for serving as a

HOUSE VERSION

federal decennial census more than 35 percent of the population in the territory of the authority resides outside the principal municipality ~~[(B) the county judges of the counties having unincorporated area in the authority; excluding the county judge of the principal county; and [(C) the presiding officer of each municipal utility district that:~~

~~[(i) has a majority of its territory located outside the principal county; and~~

~~[(ii) is located wholly or partly in the authority].~~

(b-1) Notwithstanding Section 451.505, members of the board serve staggered three-year terms, with the terms of two or three members, as applicable, expiring June 1 of each year.

(d) A person appointed under Subsection (b)(1), (2) ~~[(b)(2), (3), (4)]~~, or (5):

(1) must be a member of the governing body:

(A) of the political subdivision that is entitled to make the appointment; or

(B) over which a member of the panel entitled to make an appointment presides;

(2) vacates the office of board member if the person ceases to be a member of the governing body described by Subdivision (1);

(3) serves on the board as an additional duty of the office held on the governing body described by Subdivision (1); and

(4) is not entitled to compensation for serving as a

CONFERENCE

(d) A person appointed under Subsection (b)(1), (2) ~~[(b)(2), (3), (4)]~~, or (5), except as provided by Subsection (b)(2):

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member of the board.

(d-1) At least two members appointed under Subsections (b)(1), (6), and (7) must be qualified voters residing in the principal municipality.

(d-2) A person appointed under Subsection (b)(3) must:
(1) have the person's principal place of occupation or employment in:

(A) the principal municipality; or

(B) the portion of the authority's service area that is located in the principal county; or

(2) be a qualified voter of:

(A) the principal municipality; or

(B) the portion of the authority's service area that is located in the principal county.

(d-3) A person appointed under Subsection (b)(4) must:
(1) have the person's principal place of occupation or employment in:

(A) the principal municipality; or

(B) the portion of the authority's service area that is located in the county, other than the principal county, that has the largest population of the counties in the authority; or

(2) be a qualified voter of:

(A) the principal municipality; or

(B) the portion of the authority's service area that is located in the county, other than the principal county, that has the largest population of the counties in the authority.

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member of the board.

(d-1) At least two members appointed under Subsections (b)(1), (6), and (7) must be qualified voters residing in the principal municipality.

(d-2) A person appointed under Subsection (b)(3) must:
(1) have the person's principal place of occupation or employment in:

(A) the principal municipality; or

(B) the portion of the authority's service area that is located in the principal county; or

(2) be a qualified voter of:

(A) the principal municipality; or

(B) the portion of the authority's service area that is located in the principal county.

(d-3) A person appointed under Subsection (b)(4) must:
(1) have the person's principal place of occupation or employment in:

(A) the principal municipality; or

(B) the portion of the authority's service area that is located in the county, other than the principal county, that has the largest population of the counties in the authority; or

(2) be a qualified voter of:

(A) the principal municipality; or

(B) the portion of the authority's service area that is located in the county, other than the principal county, that has the largest population of the counties in the authority.

(e) A panel appointing a member under Subsection

CONFERENCE

(d-2) A person appointed under Subsection (b)(3) must:
(1) have the person's principal place of occupation or employment in

the portion of the authority's service area that is located in the principal county; or

(2) be a qualified voter of the principal county.

(d-3) A person appointed under Subsection (b)(4) must:
(1) have the person's principal place of occupation or employment in

the portion of the authority's service area that is located in the county, other than the principal county, that has the largest population of the counties in the authority; or

(2) be a qualified voter of the county, other than the principal county, that has the largest population of the counties in the authority.

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~~(b)(5) [this section]~~ operates in the manner prescribed by Section 451.503.

(e-1) A joint appointment to fill a vacancy in a position under Subsection (b)(3) or (4) shall be made not later than the 60th day after the date a position becomes vacant.

SECTION 7. Section 451.505(b), Transportation Code, is amended to read as follows:

(b) The terms of members of a board are staggered if the authority was[;:

~~[(4)]~~ created before 1980 and has a principal municipality with a population of less than 1.2 million[; or

~~[(2) confirmed before July 1, 1985, and has a principal municipality with a population of less than 750,000].~~

SECTION 8. Same as Senate version.

SECTION 9. (a) This section applies only to a member of the board of a metropolitan rapid transit authority created before July 1, 1985, in which the principal municipality has a population of 750,000 or less.

(b) The term of a board member that is scheduled, under the law as it existed before the effective date of this Act, to expire:

(1) after the effective date of this Act but before January 1, 2010, is extended to December 31, 2009; and

Same as Senate version ((e-1) not included in the Conference version).

SECTION 8. Same as House version.

SECTION 9. Same as Senate version.

SECTION 10. Same as House version, except as follows:

No equivalent provision.

SECTION 9. Subsections (g) and (h), Section 451.5021, Transportation Code, are repealed.

SECTION 10. (a) This section applies only to a member of the board of a metropolitan rapid transit authority created before July 1, 1985, in which the principal municipality has a population of 750,000 or less.

(b) The term of a board member that is scheduled, under the law as it existed before the effective date of this Act, to expire:

(1) after the effective date of this Act but before January 1, 2010, is extended to December 31, 2009; and

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(2) on or after January 1, 2010, expires June 1, 2010.

(c) As soon as practicable on or after the effective date of this Act, but not later than December 31, 2009, the persons and entities specified in Section 451.5021, Transportation Code, as amended by this Act, shall appoint the members of the board in compliance with that section, as amended, to serve terms that begin

January 1, 2010, or
June 2, 2010, as applicable.

(d) A vacancy created because of the expiration of a term under Subsection (b) of this section is filled in the manner provided by Subsection (c) of this section.

HOUSE VERSION

(2) on or after January 1, 2010, expires on the date the term was scheduled to expire under this law as it existed before the effective date of this Act.

(c) As soon as practicable on or after the effective date of this Act, but not later than December 31, 2009, the persons and entities specified in Section 451.5021, Transportation Code, as amended by this Act, shall appoint the members of the board in compliance with that section, as amended, to serve terms that begin, as applicable and as subject to Subsection (d) of this section:

(1) January 1, 2010; or

(2) the day after a term expires under Subsection (b)(2) of this section.

(d) A vacancy created because of the expiration of a term under Subsection (b) of this section is filled in the following manner:

(1) for a member appointed under Section 451.5021(b)(1), Transportation Code, under the law as it existed before the effective date of this Act:

(A) one vacancy shall be filled by the appointing person or entity specified by Section 451.5021(b)(6), Transportation Code, as *amended* by this Act; and

(B) one vacancy shall be filled by the appointing person or entity specified by Section 451.5021(b)(7), Transportation Code, as *amended* by this Act;

(2) for a member appointed under Section 451.5021(b)(2), Transportation Code, under the law as it existed before the effective date of this Act:

CONFERENCE

In Subsections (d)(1)(A) and (B), makes technical changes to refer to Sections 451.5021(b)(6) and 451.5021(b)(7), respectively, as *added* by this Act rather than as amended by this Act.

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(A) one vacancy shall be filled by the appointing person or entity specified by Section 451.5021(b)(1), Transportation Code, as amended by this Act; and

(B) one vacancy shall be filled by the appointing person or entity specified by Section 451.5021(b)(2), Transportation Code, as amended by this Act;

(3) for a member appointed under Section 451.5021(b)(3), Transportation Code, under the law as it existed before the effective date of this Act, the vacancy shall be filled by the appointing person or entity specified by Section 451.5021(b)(3), Transportation Code, as amended by this Act;

(4) for a member appointed under Section 451.5021(b)(4), Transportation Code, under the law as it existed before the effective date of this Act, the vacancy shall be filled by the appointing person or entity specified by Section 451.5021(b)(5), Transportation Code, as amended by this Act; and

(5) for a member appointed under Section 451.5021(b)(5), Transportation Code, under the law as it existed before the effective date of this Act, the vacancy shall be filled by the appointing person or entity specified by Section 451.5021(b)(4), Transportation Code, as amended by this Act.

(e) The members of the board appointed under Subsection (c) of this section shall draw lots to determine which terms of two members expire June 1, 2011, which terms of *two* members expire June 1, 2012, and which terms of three members expire June 1, 2013.

(e) The members of the board appointed under Subsection (c) of this section shall draw lots to determine which terms of three members expire June 1, 2011, which terms of three members expire June 1, 2012, and which terms of three members expire June 1, 2013.

(e) The members of the board appointed under Subsection (c) of this section shall draw lots to determine which terms of two members expire June 1, 2011, which terms of *three* members expire June 1, 2012, and which terms of three members expire June 1, 2013.

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(f) As soon as practicable after the metropolitan planning organization specified by Section 451.5021(b)(8), Transportation Code, as added by this Act, determines that that subdivision applies to the metropolitan rapid transit authority, the metropolitan planning organization shall appoint:

- (1) one member of the board of the authority for a term to expire June 1, 2011, or, if that date has passed, the following six-year anniversary of that date; and
- (2) one member of the board of the authority for a term to expire June 1, 2013, or, if that date has passed, the following six-year anniversary of that date.

SECTION 11. This Act takes effect September 1, 2009.

SECTION 12. Same as Senate version.

SECTION 11. Same as Senate 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: SB1263 by Watson (Relating to certain mass transit entities.), **Conference Committee Report**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1263, Conference Committee Report: an impact of \$0 through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Six-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0
2015	\$0

All Funds, Six-Year Impact:

Fiscal Year	Probable Savings/ (Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>Capital Metropolitan Transportation Authority</i>	Change in Number of State Employees from FY 2009
2010	(\$194,569)	\$194,569	(\$194,569)	3.0
2011	(\$194,569)	\$194,569	(\$194,569)	3.0
2012	\$0	\$0	\$0	0.0
2013	\$0	\$0	\$0	0.0
2014	\$0	\$0	\$0	0.0
2015	(\$194,569)	\$194,569	(\$194,569)	3.0

Fiscal Analysis

The bill would add Section 451.0612 to Subchapter B, Chapter 451, Transportation Code to authorize certain metropolitan transportation authorities to employ persons to serve as fare enforcement officers to enforce the payment of fares for use of the public transportation system. The authority in the City of Austin, Capital Metropolitan Transportation Authority (Cap Metro), is the only metropolitan transportation authority that meets the criteria for which authority to whom the new section of statute would apply.

The bill would further amend Chapter 451 of the Transportation Code as it relates to Cap Metro to include requirements related to the effective date of establishment of or a change to fares, tolls, charges, rents, and other compensation by Cap Metro; holding a referendum on funding a fixed rail system; internal audits; reports to the principal municipality and county which Cap Metro serves; and membership of the Cap Metro board.

The bill would require that the Sunset Advisory Commission review Cap Metro as if it was scheduled to be abolished September 1, 2011, and again as if it was scheduled to be abolished September 1, 2016. Cap Metro would be required to pay the costs incurred for the commission to conduct the reviews.

The bill would take effect September 1, 2009.

The bill would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in the bill would be subject to funds consolidation review by the current Legislature.

Methodology

According to the Sunset Advisory Commission, the agency would need three additional full-time-equivalent positions in each year in which the reviews of Cap Metro are conducted: fiscal years 2010, 2011, and 2015 (although there would be costs incurred in fiscal year 2016, this analysis covers only the first six years of implementation). The commission would also incur production costs to print and distribute reports containing the commission's recommendations. All cost estimates are based on historical costs related to similar sized reviews. As required by provisions of the bill, the commission would be reimbursed its costs by Cap Metro.

Local Government Impact

The costs to Cap Metro as a result of the proposed changes to Chapter 451, Transportation Code, are shown in the above tables.

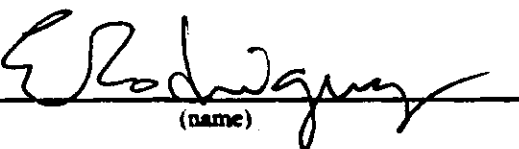
Source Agencies: 116 Sunset Advisory Commission

LBB Staff: JOB, DB, KJG, SD

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 SB B. 1263 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)

5-30-09
(date)