

CHAPTER 908

H.B. No. 2014

AN ACT

relating to funding of ridesharing activities by the State Highway and Public Transportation Commission.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Section 4(b), Chapter 679, Acts of the 64th Legislature, 1975 (Article 6663c, Vernon's Texas Civil Statutes), is amended to read as follows:

(b) Except as provided in Subsections (e), (f), ~~[and] (g), (h), (i), and (j)~~ of this section, only rural and urban areas of the state other than urbanized areas eligible for participation in the formula program are eligible for participation in the discretionary program. Any local government having the power to operate or maintain a public transportation system ~~or other entity that is designated as a recipient of federal funds by the governor with the concurrence of the Secretary of the United States Department of Transportation to operate a general public transportation system under a federal program solely for areas other than urbanized,~~ may be a designated recipient of funds from the discretionary program.

SECTION 2. Section 4(f), Chapter 679, Acts of the 64th Legislature, 1975 (Article 6663c, Vernon's Texas Civil Statutes), is amended to read as follows:

(f) Designated recipients in urbanized areas eligible for participation in the formula program and any local government having the power to operate or maintain a public transportation system, *directly or by contract*, within an urbanized *or rural* area may apply for and receive funds from the discretionary program for capital expenditures to carry out ridesharing activities. If the commission approves an application to fund ridesharing activities, the commission shall provide 80 percent of the cost of the capital expenditures. An applicant for funding for ridesharing activities must certify that:

(1) funds are available to provide the remaining 20 percent of the cost of the expenditures;

(2) equipment furnished by the applicant in connection with ridesharing activities will be used primarily for commuting purposes; ~~and~~

(3) ridesharing activities will be operated on a nonprofit basis and without publicly funded operating subsidies; *and*

(4) *any funding available through the U.S. Department of Transportation to participate in the capitalized portion of state and locally supported ridesharing activities may be applied for and utilized to supplement the availability of local resources for the recapitalization of van pool equipment.*

SECTION 3. Section 4, Chapter 679, Acts of the 64th Legislature, 1975 (Article 6663c, Vernon's Texas Civil Statutes), is amended by adding Subsections (h), (i), and (j) to read as follows:

(h) *"Nonprofit basis" means that all revenues derived in excess of operating expense, related to use of state assisted van equipment, shall be deposited into a designated account (contingency reserve) and earmarked for recapitalization of van equipment. Should any funds remain unexpended at the cessation of ridesharing activities using state assisted equipment, such funds shall be distributed back to the state and local funding entity on a pro rata basis.*

(i) *"Recapitalization of van equipment" means the use of contingency reserve funding derived from the operation of state assisted vans, not required to support other eligible operating costs, to replace state assisted van equipment at the end of its useful life. The state financial interest in the purchase of replacement van equipment shall be based upon the percentage of contingency reserve funding used to purchase the replacement vans and the proportionate state financial interest in the purchase of the original van equipment.*

(j) *"Accountability" means that procedures satisfactory to the state will be established by recipients of state assistance to purchase van equipment which ensures the use of such van equipment for commuter purposes and that such equipment is operated on a nonprofit basis.*

SECTION 4. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on May 5, 1987, by a non-record vote. Passed by the Senate on May 29, 1987, by the following vote: Yeas 30, Nays 0.

Approved June 19, 1987.

Effective Aug. 31, 1987, 90 days after date of adjournment.