

## **CHANGES TO COUNCIL DRAFT 8101**

### **446.02.1 NEW - DEFINITIONS**

- Adds terms “dealer”, “diesel fuel”, “gasoline”, “motor fuel”, “motor vehicle” and “sale” and cross referenced existing Tax Code definitions for those terms
- Adds new definitions for “seller” and “retailer”
- Adds cross reference definition to DART, DCTA, The-T and San Antonio transit authorities

### **446.004 NEW - SUNSET**

- Sunsets the Local Option Transportation Chapter in 10 years (2019)

## **NEW SUBCHAPTER B – NORTH TEXAS**

### **446.51 Applicability**

- Applies subchapter B to the following counties:
  - Collin (all),
  - Dallas (all),
  - Denton (all),
  - Rockwall (all),
  - Tarrant (all),
  - Ellis (partial),
  - Johnson (partial),
  - Kaufman (partial),
  - Parker (partial)

### **446.052 NEW - PROJECT SELECTION**

- Requires commissioners court of the following North Texas counties to appoint a project selection committee by Feb 1, 2010: Collin, Dallas, Denton, Tarrant.

- Allows four Commissioners Courts to “opt out” of the requirement to form a project selection committee by a majority vote taken by Oct 1, 2009.
- Also allows cities containing 60% or more of the population to, by majority vote, to establish a project selection committee in lieu of commissioners court.
- Project Selection committee is comprised of:
  - Two elected members from the county,
  - Two elected members from the largest city,
  - Three elected members of the second, third and fourth largest cities (detailed below),
  - One member of the Board of DFW Airport, and
  - One member from any transit agency operating in the County.
- Staff support provided by county, city, MPO, and transit agencies.
- Committee members serve for two years and select a chair.
- Committee will determine projects and the fees to be included on the ballot; requires two-third vote of committee.
- Committee must use best efforts to included projects that benefit each city in the county in proportion to the amount of revenue generated from the people within each city.
- Selection Committee must submit projects and fees to Commissioners County by July 1, 2010.

- Note - City Populations:

Fort Worth	679K	Dallas	1.1M
Arlington	371K	Irving	199K
North Richland Hills	64K	Mesquite	131K
Eules	52K	Richardson	76K
Grapevine	49K	Carrollton	52K

Plano	257K	Denton	115K
McKinney	115K	Lewisville	98K
Allen	77K	Carrollton	70K
Wylie	73K	Flower Mound	68K
Frisco	73K	The Colony	41K

#### **446.053 NEW – COUNTY OPTION TO CALL ELECTION; PETITION PROCESS**

- Gives county commissioners court the option of:
  - rejecting in its entirety the ballot submitted by the project and fee selection committee, or
  - calling an election on the ballot as submitted for a November 4, 2010 election (20 months from now).
- Requires commissioners court to hold a public hearing on the proposed project(s) and fee(s).
- Requires commissioners court to take action on the ballot submitted by the project and fee selection committee by April 1, 2010.
- Requires election to be held, regardless of commissioners court action, if:
  - cities totaling 60% of the population petition the court, or
  - 10% of the registered voters who voted in last gubernatorial election petition the court.

#### **446.054 MODIFIED - BALLOT LANGUAGE**

- Requires ballot to:
  - Specify the project,
  - Specify the proposed rates for funding the project, and
  - Describe the project.
- No longer requires ballot to detail:
  - completion date for construction,
  - sequence of construction,
  - year bonds will expire, and
  - year proposed fees will expire.
- Requires elections to only be held in November.

#### **REMOVES OLD SECTION 446.007**

- No longer requires projects to be on the MPO list.

#### **446.055      MODIFIED - METHOD OF FUNDING**

- Clarifies ballot may include a combination of fees.
- Clarifies the gas tax is applied only to gas or diesel used for cars or trucks.
- Clarifies gas tax may range from minimum of one-tenth of penny to 10 cents maximum.
- Clarifies “mobility improvement fee” may range from minimum of \$1 to maximum of \$60.
- Clarifies “parking fees” are to be applied to public lots at flat rate of \$2 per day (excludes metered spots).
- Clarifies “drives license fee” may range from \$1 at a minimum to a maximum amount equal to current cost of license issuance.
- Clarifies “emissions fee” may range from \$1 minimum to \$15 maximum
- Clarifies “Texas New Resident fee” may range from \$1 to \$250.
- Clarifies “mobility improvement fee” does not apply to registration of vehicle at the sale of vehicle at a licensed automobile dealer (does not apply to car sales).

#### **446.056      MODIFIED - IMPOSITION OF FEES**

- Clarifies motor fuels tax imposition begins first quarter after election.
- Prohibits excess funds from being collected.
- Requires expiration of fees once capital improvements are complete.
- Requires excess funds to be returned to the people.

**446.057      MODIFIED – LOW INCOME RELIEF**

- Moves “low income” provision to stand-alone section.
- Clarifies “low income” provision does not apply to motor fuel tax.
- Clarifies the commissioners court will use the same relief standards used in the current “low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program”.
- Requires commissioners court to hold a public hearing about low income relief.

**446.058      MODIFIED – FUND BANK ACCOUNT**

- Clarifies money shall be kept in a separate account for each project.
- Clarifies DART may not use existing sales tax to finance new projects approved under this chapter unless 4/5 of DART Board approves.

**446.059      MODIFIED - USE OF FUNDS**

- Clarifies money can be used to build projects without issuing bonds.
- Clarifies money can be used to pay off bonds for road projects.
- Clarifies money can be used to pay transit agency for passenger rail construction.
- Adds necessary bond authority language as recommended by bond counsel.
- Limits bond maturity to 30 years.
- Requires money collected within cities belonging to a transit authority (except DCTA) to be kept separate and only spent on projects in the

city unless all the cities belonging to the transit agency agree to use the money on a project outside of the city.

- Requires money collected within cities belonging to DCTA to be kept separate and only spent on projects in the city unless all the commissioners court agree to use the money on a project outside of the transit agency.
- Requires ballot to list projects proposed outside of transit agency, cost, increased cost of service to existing transit agency, a limit that may be spent on new projects.

**446.062 IMPOSITION & COLLECTION OF MOTOR FUELS TAX**

- Specifies the imposition and collection of the motor fuels tax.

**446.063 LIMITS ON USE OF FUELS TAX**

- Requires money from fuels tax to comply with constitutional requirement to be expended on roads and to comply with 25% requirement for education funding.

**446.064 IMPOSITION & COLLECTION OF DRIVER'S LICENSE FEE**

- Specifies imposition and collection of the driver's license fee.

**446.065 INTERLOCAL CONTRACTING AUTHORITY**

- Authorized interlocal contracts for services under this Chapter

**446.066 PUBLIC DISCLOSURE**

- Requires county to maintain an "online checkbook" for funds collected and expenditures

**446.067 PROHIBITION ON LOBBYING AND PUBLIC RELATIONS CAMPAIGN**

- Counties may not use funds from the fees imposed under this chapter to pay lobbyists, advertising, or public relations campaigns.

**446.08 ANNUAL REPORT**

- Requires annual report to TxDOT and state auditor disclosing revenues collected, expenditures, and progress update.
- Requires state auditor to annually audit the financial transactions made in accordance with this chapter.