

TEXAS TRANSPORTATION CODE

TITLE 6. ROADWAYS

SUBTITLE K. MASS TRANSPORTATION

CHAPTER 451. METROPOLITAN RAPID TRANSIT AUTHORITIES

SUBCHAPTER M. WITHDRAWAL OF TERRITORY FROM AUTHORITY

Sec. 451.601. UNIT OF ELECTION DEFINED. In this subchapter, "unit of election" means:

- (1) a municipality, including a principal municipality;
- (2) an unincorporated area designated by a commissioners court under Section 451.657 as a discrete unit for the purposes of a confirmation election; or
- (3) an emergency services district operating under Chapter 775, Health and Safety Code, that:
 - (A) borders Lake Travis; and
 - (B) is located in or borders two municipalities with a population of more than 45,000.

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

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 876 (H.B. 3666), Sec. 1, eff. September 1, 2015.

Sec. 451.602. AUTHORITIES COVERED BY SUBCHAPTER. Except as provided by Section 451.617, this subchapter applies only to an authority in which the principal municipality has a population of less than 850,000 and that was confirmed before July 1, 1985.

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

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. 2702), Sec. 170, eff. September 1, 2011.

Sec. 451.603. WITHDRAWAL OF UNIT OF ELECTION. (a) The governing body of a unit of election may order an election to withdraw the unit of election from an authority.

(b) On the determination by a governing body of a unit of election that a petition for withdrawal under this subchapter is valid, the governing body shall order an election to withdraw the unit of election from the authority.

(c) An election to withdraw may not be ordered, and a petition for an election to withdraw may not be accepted for filing, on or before the fifth anniversary after the date of a previous election in the unit to withdraw from the authority.

(d) An attempt by a unit of election to withdraw from an authority in a manner other than as provided by this subchapter is void.

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

Sec. 451.604. PETITION FOR WITHDRAWAL ELECTION. (a) At the request of a registered voter of a unit of election in an authority, the municipal secretary or other clerk or administrator of the unit of election shall deliver to the voter, in the number requested, petition signature sheets for a petition to withdraw from the authority prepared by, numbered, and authenticated by the municipal secretary or other official. During the period that signatures on the petition may be obtained, the official shall authenticate and deliver additional petition signature sheets as requested by the voter. Only one petition for withdrawal may be in circulation at a time.

(b) Each sheet of a petition must have a heading in capital letters as follows:

"THIS PETITION IS TO REQUIRE AN ELECTION TO BE HELD IN (name of the unit of election) TO DISSOLVE (name of authority) IN (name of the unit of election) SUBJECT TO THE CONTINUED COLLECTION OF SALES TAXES FOR THE PERIOD REQUIRED BY LAW."

(c) In addition to the requirements of Section [277.002](#), Election Code, to be valid a petition must:

(1) be signed on authenticated petition sheets by not less than 20 percent of the number of registered voters of the unit of election as shown on the voter registration list of each county in which the unit of election is located;

(2) be filed with the secretary, clerk, or administrator of the unit of election not later than the 60th day after the date the first sheet of the petition was received under Subsection (a);

(3) contain signatures that are signed in ink or indelible pencil by the voter; and

(4) have affixed or printed on each sheet an affidavit that is executed before a notary public by the person who circulated the sheet and that is in the following form and substance:

"STATE OF TEXAS

"COUNTY OF _____

"I, _____, affirm that I personally witnessed each signer affix his or her signature to this page of this petition for the dissolution of (name of authority) in the (name of unit of election). I affirm to the best of my knowledge and belief that each signature is the genuine signature of the person whose name is signed and that the date entered next to each signature is the date the signature was affixed to this page.

"Sworn to and subscribed before me this the ____ day of _____,
_____.

(SEAL)

Notary Public, State of Texas"

(d) Each sheet of the petition must be filed under Subsection (c) (2) at the same time as a single filing.

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

Sec. 451.605. REVIEW OF PETITION. (a) The secretary, clerk, or administrator of a unit of election in which a petition for withdrawal from an authority is filed shall examine the petition and file with the governing body of the unit a report stating whether the petition, in the opinion of the secretary, clerk, or administrator, is valid.

(b) On receipt of a petition and a report under Subsection (a), the governing body shall examine the petition to determine whether the petition is valid. The governing body may hold public hearings and conduct or order investigations as appropriate to make the determination. The governing body's determination is conclusive of the issues.

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

Sec. 451.606. INVALID PETITION. (a) The governing body of a unit of election that receives an invalid petition shall reject the petition.

(b) A petition that is rejected is void and the petition and each sheet of the rejected petition may not be used in connection with a subsequent petition.

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

Sec. 451.607. ELECTION. (a) An election to withdraw from an authority ordered under this subchapter must be held on the first applicable uniform election date occurring after the expiration of 90 days after the date the governing body orders the election.

(b) The governing body shall give notice of the election to the board, the Texas Department of Transportation, and the comptroller immediately on calling the election.

(c) At the election the ballot shall be printed to provide for voting for or against the proposition: "Shall the (name of authority) be continued in (name of unit of election)?"

(d) The election shall be held in the regular precincts and at the regular voting places.

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

Sec. 451.608. RESULT OF WITHDRAWAL ELECTION. (a) If a majority of the votes received on the measure in an election held under Section 451.607 favor the proposition, the authority continues in the unit of election.

(b) If less than a majority of the votes received on the measure in the election favor the proposition, the authority ceases in the unit of election on the day after the day the election returns are canvassed.

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

Sec. 451.609. EFFECT OF WITHDRAWAL. (a) On the effective date of a withdrawal from an authority:

(1) the authority shall, except as provided by Section 451.610, cease providing transportation services in the withdrawn unit of election; and

(2) the financial obligations of the authority attributable to the withdrawn unit of election cease to accrue.

(b) Withdrawal from an authority does not affect the right of the authority to travel through the territory of the unit of election to provide service to a unit of election that is a part of the authority.

(c) Taxes of the authority continue to be collected in the territory of a withdrawn unit of election after withdrawal until the net financial obligation of the unit of election to the authority has been collected.

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

Sec. 451.610. CONTINUATION OF SERVICES TO PERSONS WITH DISABILITIES. (a) An authority shall continue to provide transportation services for persons with disabilities in a withdrawn unit of election. The authority may not charge a fare for transportation services to persons with disabilities in the withdrawn unit that is more than the fare for those services for persons in the authority.

(b) An authority shall provide the same level of transportation services under Subsection (a) to persons with disabilities in a unit of election that withdrew from the authority before January 1, 2011, as those persons received on January 1, 2011. This subsection applies only to an authority to which Subchapter C-1 applies.

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

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1327 (S.B. 650), Sec. 2, eff. June 17, 2011.

For expiration of this section, see Subsection (j).

Sec. 451.6101. CONTINUATION OF SERVICES TO PERSONS WITH DISABILITIES; ALTERNATIVE PROGRAM. (a) This section applies only to an authority to which Subchapter C-1 applies.

(b) Notwithstanding Section 451.610, an authority shall establish an alternative program to provide transportation services to persons with disabilities in a withdrawn unit of election who are eligible to receive services under the program. An authority shall require interested persons with disabilities to apply to be program participants. The program must be available to a person with a disability who:

(1) resides, at the time of application to the program, in a withdrawn unit of election;

(2) can prove, at the time of application, residence in the corporate limits of the withdrawn unit of election as those limits existed at the time of the withdrawal and continuous residence in the corporate limits of the withdrawn unit of election since withdrawal;

(3) meets eligibility criteria established by the authority for demand-responsive transportation service for persons with disabilities and can prove, at the time of application, that the person has had the same disability since the unit of election withdrew; and

(4) applies to the program before January 1, 2012.

(c) The program must:

(1) include only transportation services that meet the requirements of all applicable federal laws, rules, or regulations; and

(2) include transportation services between the residence of a program participant and a destination within the authority's service area or a destination within the withdrawn unit of election where the person with a disability resides that is:

(A) the participant's place of work or a place where the participant is seeking employment;

(B) a physician's office;

(C) a pharmacy;

(D) the participant's place of voting;

(E) a grocery store within five miles of the participant's residence or within the withdrawn unit of election; or

(F) a government building.

(d) Subsection (c)(1) does not expand the service area or add to the destinations in Subsection (c)(2).

(e) The requirement for transportation services to a grocery store under Subsection (c)(2)(E) is for services once per week. The requirement for transportation services to a government building under Subsection (c)(2)(F) is for services twice per week.

(f) A withdrawn unit of election must reimburse the authority for the costs of all services in the manner provided by Section [451.616](#) unless otherwise agreed to in a memorandum of understanding between the authority and the withdrawn unit of election.

(g) A withdrawn unit of election that does not provide transportation services to a program participant in the withdrawn unit of election through a third-party service provider shall provide the participant with use of the authority's transportation services. If a withdrawn unit of election chooses to have a third-party service provider provide services under this subsection, the authority may, with the withdrawn unit's consent:

(1) provide necessary dispatch services; and

(2) ensure the provider receives payment from the withdrawn unit of election.

(h) An individual may not receive transportation services under the program and subsequently receive transportation services under Section 451.610.

(i) A person who ceases to reside in the withdrawn unit of election may not continue as a program participant.

(j) This section and any program established under this section expire on January 1, 2020.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1327 (S.B. 650), Sec. 3, eff. June 17, 2011.

Sec. 451.611. DETERMINATION OF TOTAL AMOUNT OF FINANCIAL OBLIGATIONS OF WITHDRAWN UNIT. (a) The net financial obligation of a withdrawn unit of election to the authority is an amount equal to:

(1) the gross financial obligations of the unit, which is the sum of:

(A) the unit's apportioned share of the authority's outstanding obligations; and

(B) the amount, not computed in Subdivision (1)(A), that is necessary and appropriate to allocate to the unit because of financial obligations of the authority that specifically relate to the unit; minus

(2) the unit's apportioned share of the unencumbered assets of the authority that consist of cash, cash deposits, certificates of deposit, and bonds, stocks, and other negotiable securities.

(b) An authority's outstanding obligations under Subsection (a)(1)(A) is the sum of:

(1) the obligations of the authority authorized in the budget of, and contracted for by, the authority;

(2) outstanding contractual obligations for capital or other expenditures, including expenditures for a subsequent year, the payment of which is not made or provided for from the proceeds of notes, bonds, or other obligations;

(3) payments due or to become due in a subsequent year on notes, bonds, or other securities or obligations for debt issued by the authority;

(4) the amount required by the authority to be reserved for all years to comply with financial covenants made with lenders, note or bond holders, or other creditors or contractors; and

(5) the amount necessary for the full and timely payment of the obligations of the authority, to avoid a default or impairment of those obligations, including contingent liabilities.

(c) The apportioned share of a unit's obligation or assets is the amount of the obligation or assets times a fraction, the numerator of which is the number of inhabitants of the withdrawing unit of election and the denominator of which is the number of inhabitants of the authority, including the number of inhabitants of the unit.

(d) The board shall determine the amount of each component of the computations required under this section, including the components of the unit's apportioned share, as of the effective date of withdrawal. The number of inhabitants shall be determined according to the most recent and available applicable data of an agency of the United States.

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

Sec. 451.612. CERTIFICATION OF NET FINANCIAL OBLIGATION OF UNIT.

(a) The board shall certify to the governing body of a withdrawn unit of election and to the comptroller the net financial obligation of the unit to the authority as determined under this subchapter.

(b) If there is no net financial obligation of the unit, the certification must show that fact.

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

Sec. 451.613. COLLECTION OF SALES AND USE TAX AFTER WITHDRAWAL.

(a) Until the amount of revenue from an authority's sales and use tax collected in a withdrawn unit of election after the effective date of withdrawal and paid to the authority equals the net financial obligation of the unit, the sales and use tax continues to be collected in the territory of the unit of election.

(b) After the amount described by Subsection (a) has been collected or if the share of the authority's assets computed for the unit of election under Section [451.611](#) is greater than the gross financial obligation of the unit to the authority, the comptroller shall discontinue collecting the tax in the territory of the unit of election.

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

Sec. 451.614. REFUNDS OF EXCESS SALES AND USE TAX REVENUE. (a) The comptroller shall refund to the unit of election the amount of the authority's sales and use tax revenue:

(1) that is in excess of the net financial obligation of the unit and was collected in the unit after the date of withdrawal; or

(2) if the unit's share of authority assets exceeded the unit's gross financial obligation to the authority, that was collected in the unit after the date of withdrawal.

(b) The comptroller may:

(1) determine the amount refundable under Subsection (a) in any reasonable manner;

(2) subtract any deduction otherwise allowed by law; and

(3) determine whether to pay a refund under this section from the suspense account of the authority or from other sales and use tax revenue of the authority.

(c) If the withdrawn unit of election has continuously been a part of the authority since the authority was confirmed at the initial confirmation election, the comptroller shall also refund to the governing body of the unit an amount equal to the amount by which the unit's apportioned share of the authority's assets exceeds the gross financial obligation of the unit.

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

Sec. 451.615. USE OF REFUNDED REVENUE. (a) The governing body of a unit of election that receives a refund under Section 451.614 may use the refund only for public purposes directly related to the functions of government that will benefit the residents of the unit as a whole.

(b) If the governing body distributes refund revenue to any other person, the governing body shall:

(1) ensure that the recipient spends the amount received to benefit the residents of the unit of election as a whole;

(2) ensure that the amount distributed is spent for public purposes that are the predominant purpose of the distribution; and

(3) condition the distribution by contract or other legal manner to provide the governing body with sufficient control of the use of the amounts distributed to ensure that the public purposes for which the distribution is made are carried out and to protect the public investment in the revenue.

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

Sec. 451.616. REVENUE FROM WITHDRAWN UNIT FOR PROVIDING SERVICES FOR PERSONS WITH DISABILITIES. (a) The comptroller shall withhold from the amount of sales and use tax revenue refunded to a unit of election that has withdrawn from an authority the full amount of the difference between the cost of providing services to persons with disabilities in the unit of election and the fares charged during the period in which the sales and use tax was collected and remit this amount to the authority providing the services.

(b) The authority and the unit of election that has withdrawn shall determine the amount of the cost of providing services to persons with disabilities. If the authority and the unit of election cannot agree on the amount, the comptroller shall determine the amount.

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

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 76 (H.B. 504), Sec. 1, eff. May 14, 2007.

Sec. 451.617. WITHDRAWAL: ALTERNATIVE METHOD FOR CERTAIN AUTHORITIES. (a) In an authority created before 1980 in which the principal municipality has a population of less than 1.9 million, a unit of election, other than the principal municipality, may withdraw from the authority, in addition to any other manner provided by law, by a vote of a majority of the registered voters of the unit of election voting at an election on the question of withdrawing from the authority.

(b) The governing body of a unit of election in the authority, other than the principal municipality, shall call an election under this section in a unit of election if a petition requesting that an election to withdraw from the authority be held is submitted to the governing body and is signed by at least 10 percent of the registered voters of the unit of election on the date the petition is submitted. To be counted for purposes of validating the petition, a signature on the petition must have been inscribed not earlier than the 120th day before the date the petition is submitted to the governing body.

(c) The governing body, before the 31st day after the date the petition is submitted to the governing body, shall determine whether a petition under this section is valid, and if the governing body fails to act on the petition before the expiration of that period, the petition is valid.

(d) Sections [451.601](#), [451.607](#), [451.608](#), [451.609](#), [451.611](#), [451.612\(a\)](#), and [451.613](#) apply to the withdrawal of a unit of election under this section.

(e) An election may not be held under this section on a date earlier than the first anniversary of the date of the most recent election held under this section.

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

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. [2702](#)), Sec. 171, eff. September 1, 2011.

Sec. 451.618. WITHDRAWAL: ALTERNATIVE METHOD FOR CERTAIN EMERGENCY SERVICES DISTRICTS. (a) An emergency services district described by Section [451.601\(3\)](#) may withdraw from an authority, in addition to any other manner provided by law, by a vote of a majority of the registered voters of the district voting at an election on the question of withdrawing from the authority.

(b) The governing body of the emergency services district shall call an election under this section if a petition requesting that an election to withdraw from the authority be held is submitted to the governing body and is signed by at least 10 percent of the registered voters of the district on the date the petition is submitted. To be counted for purposes of validating the petition, a signature on the petition must have been inscribed not earlier than the 120th day before the date the petition is submitted to the governing body.

(c) The governing body, before the 31st day after the date the petition is submitted to the governing body, shall determine whether a petition under this section is valid, and if the governing body fails to act on the petition before the expiration of that period, the petition is valid.

(d) Sections [451.601](#), [451.607](#), [451.608](#), [451.609](#), [451.611](#), [451.612\(a\)](#), and [451.613](#) apply to the withdrawal of an emergency services district under this section.

(e) An election may not be called under this section to be held on a date earlier than the first anniversary of the date of the most recent election held under this section.

Added by Acts 2015, 84th Leg., R.S., Ch. 876 (H.B. [3666](#)), Sec. 2, eff. September 1, 2015.

SUBCHAPTER N. CREATION OF AUTHORITY

Sec. 451.651. INITIAL PROCEEDINGS TO CREATE AUTHORITY. (a) The governing body of an alternate municipality shall, on receipt of a petition requesting the creation of an authority and signed by not fewer than 500 registered voters of the municipality, initiate proceedings to create the authority. The governing body of an alternate municipality may initiate those proceedings without a petition.

(b) To initiate proceedings to create an authority, the governing body of an alternate municipality, by ordinance or resolution, must set a time and place for holding a public hearing and must define the boundaries of the areas proposed to be included in the authority.

(c) All the territory in the alternate municipality must be included in the initial authority, and the authority may include an area that is:

- (1) completely surrounded by the alternate municipality; and
- (2) designated by the alternate municipality as an industrial district.

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

Sec. 451.652. NOTICE OF HEARING. (a) Notice of the time and place of the hearing on the creation of an authority, including a description of the area proposed to be included in the authority, shall be published once each week for two consecutive weeks in a newspaper of general circulation in the alternate municipality. The first publication of the notice must be published not later than 15 days before the date scheduled for the hearing.

(b) The governing body of the alternate municipality shall furnish a copy of the notice under Subsection (a) to the Texas Department of Transportation.

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

Sec. 451.653. CONDUCT OF HEARING. (a) The governing body of the alternate municipality shall conduct the hearing on the creation of the authority at the place and time specified in the notice of the hearing. The hearing may be continued during the periods necessary to complete the hearing.

(b) Any interested person may appear at the hearing and offer:

- (1) evidence on the issues described by Section 451.654(a);
or
- (2) other facts bearing on the creation, construction, or operation of the proposed transit authority system.

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

Sec. 451.654. ORDINANCE OF CREATION; FINDINGS. (a) The governing body of an alternate municipality, after hearing the evidence presented at the hearing, shall adopt an ordinance creating an authority if the governing body finds that the creation of the authority and the operation of a transit authority system would be:

- (1) of benefit to the persons and property in the boundaries of the proposed authority;
- (2) of public utility; and
- (3) in the public interest.

(b) An ordinance creating an authority must:

- (1) contain a description of the territory to be in the authority; and
- (2) provide a name for the authority.

(c) After the hearing, the governing body shall submit the proposed plan to the governor's interagency council for transportation for review and comment.

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

Sec. 451.655. MUNICIPALITY TO FUND BOARD. The alternate municipality shall fund the board for research and planning purposes until the confirmation and tax election.

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

Sec. 451.656. BOARD TO ORDER ELECTION. The original board shall order a confirmation and tax election:

- (1) when the board determines that implementation of the authority is feasible;
- (2) after the board, by order recorded in its minutes, has determined the nature and rate of any tax proposed to be imposed; and
- (3) after the board has notified the commissioners court of each county included in whole or part within the initial territory of the authority of the board's intention to order the election.

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

Sec. 451.657. COMMISSIONERS COURT TO DESIGNATE ELECTION AREAS. (a) Before the 31st day after the date a commissioners court receives a notice under Section 451.656(3), the commissioners court by order shall designate not more than five election areas in the unincorporated area of the county. The designated areas must include all of the unincorporated area of that county proposed to be included in the authority.

(b) To the extent practicable, each designated area must coincide with a boundary of a county election precinct so that no county election precinct is divided between two designated areas.

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

Sec. 451.658. ELECTION NOTICE. In addition to notice required by the Election Code, an election notice must contain a description of the nature and rate of any proposed tax. A copy of the election notice must be delivered to the Texas Department of Transportation and the comptroller.

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

Sec. 451.659. PROPOSITION. The board, in ordering an election under this subchapter, shall submit to the voters the following proposition: "Shall the creation of (name of authority) be confirmed and shall the levy of the proposed tax be authorized?"

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

Sec. 451.660. CONDUCT OF ELECTION: SEPARATE RESULTS FOR UNIT OF ELECTION. The election shall be conducted so that votes are separately tabulated and canvassed and that the result is declared in each unit of election in the authority as follows:

- (1) the alternate city; and
- (2) each election area designated under Section 451.657.

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

Sec. 451.661. RESULTS OF ELECTION; ORDER. (a) The board shall declare the results of the election separately by each unit of election.

In each unit of election in which a majority of the votes received favor the proposition, the authority is confirmed and continues in each of those units, except that if the authority is not confirmed in the alternate municipality, the authority ceases in every unit of election. In each unit of election in which a majority of the votes received do not favor the confirmation of the authority, the authority ceases.

(b) If the authority continues, the board shall record the results in its minutes and adopt an order:

- (1) declaring that the creation of the authority is confirmed;
- (2) describing the territory of the authority;
- (3) stating the date of the election;
- (4) containing the proposition;
- (5) showing the number of votes cast for or against the proposition in each unit of election; and

- (6) showing the number of votes by which the proposition was approved in each unit of election in which the proposition was approved.

(c) The order must be accompanied with a map of the authority that shows the boundaries of the authority.

(d) A certified copy of the order and map shall be filed:

- (1) with the Texas Department of Transportation;
- (2) with the comptroller; and
- (3) in the deed records of each county in which the authority is located.

(e) If the authority does not continue, the board shall adopt an order declaring that the result of votes cast at the election is that the authority ceases in the entirety. A certified copy of the order shall be filed with the Texas Department of Transportation and the comptroller, and the authority is dissolved.

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

Sec. 451.662. COSTS OF BOARD. (a) The alternate municipality shall pay the costs incurred under Section [451.519](#)(a) by members of the board before the authority receives revenue.

(b) The authority, after receiving revenue, shall reimburse the alternate municipality for costs paid under Subsection (a).

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

Sec. 451.663. COMPOSITION OF BOARD ON CONFIRMATION. Except as required by Subchapter K, the composition of the board is not changed by confirmation of the authority.

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

Sec. 451.664. COST OF ELECTION. The alternate municipality shall pay the cost of the confirmation and tax election.

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

Sec. 451.665. EXPIRATION OF UNCONFIRMED AUTHORITY. An authority, the existence of which has not been confirmed, ceases on the earlier of:

- (1) the third anniversary of the effective date of the ordinance creating the authority; or
- (2) the date the governing body of the alternate municipality, with the consent of the board, abolishes the authority.

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

SUBCHAPTER O. ADVANCED TRANSPORTATION DISTRICT

Sec. 451.701. DEFINITIONS. In this subchapter:

(1) "Advanced transportation" means light rail, commuter rail, fixed guideways, traffic management systems, bus ways, bus lanes, technologically advanced bus transit vehicles and systems, bus rapid transit vehicles and systems, passenger amenities, transit centers, stations, electronic transit-related information, fare, and operating systems, high occupancy vehicle lanes, traffic signal prioritization and coordination systems, monitoring systems, and other advanced transportation facilities, equipment, operations, systems, and services, including planning, feasibility studies, operations, and professional and other services in connection with such facilities, equipment, operations, systems, and services.

(2) "District" means an advanced transportation district created under this subchapter.

(3) "Participating unit" means a municipality or the unincorporated area of a county that joins a district under this subchapter.

(4) "Mobility enhancement" means the design, construction, reconstruction, alteration, financing, and maintenance of:

(A) streets, roads, highways, high occupancy vehicle lanes, toll lanes, sidewalks, and infrastructure designed to improve mobility;

(B) traffic signal prioritization and coordination systems;

(C) monitoring systems;

(D) other mobility enhancement facilities, equipment, systems, and services; and

(E) any debt service requirement, capitalized interest, reserve fund requirement, credit agreement as defined by Section [1371.001](#), Government Code, administrative cost, or other bond-related cost incurred by or relating to the issuance of obligations by a county or municipality or by a local government corporation created under Chapter [431](#) acting on behalf of a county or municipality relating to the design, construction, reconstruction, alteration, financing, and maintenance of mobility enhancement projects.

Added by Acts 1999, 76th Leg., ch. 155, Sec. 1, eff. May 21, 1999.

Amended by Acts 2003, 78th Leg., ch. 336, Sec. 1, eff. June 18, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 382 (S.B. [1434](#)), Sec. 1, eff. June 17, 2005.

Sec. 451.702. ELECTION AUTHORIZED. (a) The board of an authority in which the sales and use tax is imposed at a rate of one-half of one percent and in which the principal municipality has a population of more than 1.3 million may order an election to create an advanced transportation district within the authority's boundaries and to impose a sales and use tax for advanced transportation and mobility enhancement under this subchapter. If approved at the election, the rate of the sales and use tax for advanced transportation and mobility enhancement shall be set by the governing body of the district at a rate of:

- (1) one-eighth of one percent;
- (2) one-fourth of one percent;
- (3) three-eighths of one percent; or
- (4) one-half of one percent.

(b) The board shall provide written notice of the board's intention to call an election under Subsection (a) to the governing body of each municipality and the commissioners court of each county any part of which

is in the authority at least 120 days before the date of the proposed election.

(c) The authority shall pay the costs of an election ordered by the board under this section.

(d) At the election, the ballots shall be prepared to permit voting for or against the proposition: "The creation of an advanced transportation district and the imposition of a sales and use tax for advanced transportation and mobility enhancement within the district at the rate to be set by the governing body of the advanced transportation district."

(e) The proceeds of the sales and use tax imposed under this section shall be used by the district only for:

(1) advanced transportation and mobility enhancement purposes as provided by Subsections (f)-(j); and

(2) reimbursement to the authority for the cost of an election held under this section.

(f) The district shall use one-half of the proceeds of the sales and use tax only for advanced transportation purposes as determined by the governing body of the district. Those purposes may include a debt service requirement, capitalized interest, reserve fund requirement, credit agreement as defined by Section 1371.001, Government Code, administrative cost, or other bond-related cost incurred by or relating to the issuance of obligations by the district relating to the purchase, design, construction, reconstruction, alteration, financing, and maintenance of advanced transportation facilities, equipment, operations, systems, and services, including a feasibility study, operation, or professional or other service in connection with the facilities, equipment, operations, systems, and services.

(g) The governing body of the district shall remit one-fourth of the proceeds of the sales and use tax to each participating unit in proportion to the amount of the sales and use tax proceeds that were collected in that participating unit. A participating unit may use proceeds received under this subsection only for advanced transportation or mobility enhancement purposes in the territory of the authority.

(h) Payments under Subsection (g) shall be made monthly beginning the first day of the month after the month in which the authority receives proceeds of the sales and use tax imposed under this section.

(i) The governing body of the district shall place one-fourth of the proceeds of the sales and use tax in a separate account. Funds in the account, together with interest or other revenues earned on those

funds, may be used as determined by the governing body of the district only to provide the appropriate amount to the Texas Department of Transportation, a county or municipality in which the district is located, or a local government corporation created under Chapter 431 as the local share of a state or federal grant, including a transfer of money by the Texas Department of Transportation or another state or federal entity under an agreement with a county, municipality, or local government corporation created by the county or municipality under Chapter 431, for advanced transportation or mobility enhancement purposes in the territory of the district.

(j) For projects to be funded under Subsection (i), the governing body of the district shall:

(1) obtain recommendations from the appropriate metropolitan planning organization;

(2) prioritize projects eligible for funding under that subsection; and

(3) consider in the selection and prioritization process the geographic location of other state or federally funded transportation projects, advanced transportation projects, and mobility enhancement projects so as to foster geographic equity in the planning and development of the projects.

(k) Pursuant to its authority under Subsection (i), the governing body of the district may enter into an agreement or other contractual arrangement with a county, municipality, or local government corporation created under Chapter 431 by a county or municipality to transfer proceeds of the district's sales and use tax identified in Subsection (i) to the county, municipality, or local government corporation to finance any cost relating to mobility enhancement purposes in the territory of the district. The county, municipality, or local government corporation may pledge and create a lien on the proceeds transferred. The lien and pledge are subject to Chapter 1208, Government Code. Money of the district other than the portion of the district's sales and use tax identified in Subsection (i) may not be used or obligated for purposes identified in Subsection (i).

(l) Notwithstanding any other provision of this chapter, the governing body of a district may, by order or resolution, without the necessity of an election specifically concerning the matter:

(1) pledge the sales and use tax proceeds identified in Subsection (f) from a sales and use tax imposed by an election held under this section after May 21, 1999, to one or more series of sales and use

tax revenue bonds issued under Subchapter H, subject to Subsection (l-1); and

(2) enter into an agreement or contractual arrangement under Subsection (k).

(l-1) The governing body of a district may not pledge sales and use tax proceeds under Subsection (l) unless the board has conducted a public hearing concerning the issuance of the bonds to which the proceeds are pledged and published notice of the hearing at least 14 days before the date of the hearing in a newspaper of general circulation in the principal municipality of the authority.

(m) As a condition of a payment under Subsection (i), the county, municipality, or local government corporation shall provide the governing body of the district a certificate indicating that the county, municipality, or local government corporation will use the money in conformity with this subchapter.

Added by Acts 1999, 76th Leg., ch. 155, Sec. 1, eff. May 21, 1999.

Amended by Acts 2003, 78th Leg., ch. 336, Sec. 2, eff. June 18, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 382 (S.B. 1434), Sec. 2, eff. June 17, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 806 (H.B. 2396), Sec. 1, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. 2702), Sec. 172, eff. September 1, 2011.

Sec. 451.703. CONDUCT OF INITIAL ELECTION: SEPARATE RESULT. The election shall be conducted so that votes are separately tabulated and canvassed and that the result is declared in each unit of election in the authority as follows:

- (1) in each municipality in the authority; and
- (2) in the unincorporated area of each county in the authority.

Added by Acts 1999, 76th Leg., ch. 155, Sec. 1, eff. May 21, 1999.

Sec. 451.704. RESULTS OF ELECTION; ORDER. (a) If a majority of the votes cast in the principal municipality of the authority are in favor of the proposition, the district is created and includes:

- (1) the principal municipality;

(2) each municipality in which a majority of the votes cast favor the proposition; and

(3) the unincorporated area of each county in which a majority of the votes cast favor the proposition.

(b) If the district is created, the board shall record the results in its minutes and adopt an order:

(1) declaring that the district is created;

(2) describing the territory of the district;

(3) stating the date of the election;

(4) containing the proposition;

(5) showing the number of votes cast for or against the proposition in each unit of election; and

(6) showing the number of votes by which the proposition was approved in each unit of election in which the proposition was approved.

(c) The order must be accompanied by a map of the district that shows the boundaries of the district.

(d) A copy of the order and map shall be filed:

(1) with the department;

(2) with the comptroller; and

(3) in the deed records of each county in which the district is located.

Added by Acts 1999, 76th Leg., ch. 155, Sec. 1, eff. May 21, 1999.

Sec. 451.705. SUBSEQUENT ELECTIONS. (a) If the initial election under Section 451.702 is held only in the principal municipality, or if the voters of another municipality or the unincorporated area of a county do not vote to join the district at the initial election under Section 451.702, the governing body of the other municipality or the commissioners court of the county may order an election in the municipality or the county at a later date on the question of joining the district, except that the election may not be held if the governing body of the district determines that the addition of the municipality or unincorporated area would create a financial hardship on the district because:

(1) the territory to be added is not contiguous to the territory of the existing district; or

(2) the addition of the territory would impair the imposition of the sales and use tax authorized by this subchapter.

(b) An election ordered under this section shall be held in the same manner as the initial election, except that the governmental entity ordering the election shall pay the costs of the election, and the governing body of that entity shall canvass the vote, declare the results, and notify the district of the results of the election.

(c) If after an election held under this subchapter, the imposition of the district's tax would not exceed the limit imposed by Section 451.706(a), at the election the ballot shall be prepared to permit voting for or against substantially the following proposition: "Joining the Advanced Transportation District and authorizing a sales and use tax at the rate of ____ (rate imposed elsewhere in the district)."

Added by Acts 1999, 76th Leg., ch. 155, Sec. 1, eff. May 21, 1999.

Amended by:

Acts 2005, 79th Leg., Ch. 369 (S.B. 1339), Sec. 1, eff. June 17, 2005.

Sec. 451.706. LIMITATION ON TAX RATE. (a) The combined rate of all sales and use taxes imposed by the district and all other political subdivisions of this state may not exceed two percent in any location in the district.

(b) If the approval of the district's tax at an election held under Section 451.705 would cause the tax in a political subdivision to exceed the limit imposed under Subsection (a), the governing body of the political subdivision holding an election under Section 451.705 shall prepare the ballot to allow the voters of the subdivision to determine which portion of other sales taxes of that subdivision will be repealed if the voters approve joining the district, except that the following may not be reduced:

(1) the sales and use tax of the authority; and

(2) a sales and use tax of not more than one percent imposed by a municipality under Section 321.101(a) or 321.103(a), Tax Code.

(c) The sales and use tax authorized by this subchapter and the repeal of any local sales and use taxes under this section take effect on the first day of the second calendar quarter beginning after the date the comptroller receives a copy of the order canvassing the results of the election.

(d) At an election held under Subsection (b), the ballot shall be prepared to permit voting for or against substantially the following proposition: "Joining the Advanced Transportation District, authorizing a

sales and use tax at the rate of ____ (rate imposed elsewhere in the district), and repealing ____ cents of the following sales and use taxes used for _____." Not later than the 45th day before the election date, the governing body of the political subdivision shall submit the ballot language to the authority for approval.

Added by Acts 1999, 76th Leg., ch. 155, Sec. 1, eff. May 21, 1999.

Amended by:

Acts 2005, 79th Leg., Ch. 369 (S.B. 1339), Sec. 2, eff. June 17, 2005.

Sec. 451.707. GOVERNANCE OF DISTRICT. (a) The board of the authority shall act as the governing body of the district and is responsible for the management, operation, and control of the district.

(b) The business of the district is conducted through its governing body and by the employees of the authority acting under the control and direction of the general manager of the authority.

(c) The district may enter into contracts with the authority or other private or public entities to conduct the business of the district.

(d) Except as otherwise provided by this subchapter, the district has the same powers of the authority that called the election creating the district as provided by Subchapters B, C, F, H, I, and K.

Added by Acts 1999, 76th Leg., ch. 155, Sec. 1, eff. May 21, 1999.

Sec. 451.708. DISTRICT ASSETS AND RECORDKEEPING. (a) An asset of the district shall be held in the name of the authority.

(b) The authority shall keep separate books and accounting records for the funds, revenues, expenses, and other property of the district.

Added by Acts 1999, 76th Leg., ch. 155, Sec. 1, eff. May 21, 1999.

Sec. 451.709. NATURE OF DISTRICT. The district is a governmental unit under Chapter 101, Civil Practice and Remedies Code, and the operations of the district are not proprietary functions for any purpose, including the application of Chapter 101, Civil Practice and Remedies Code.

Added by Acts 1999, 76th Leg., ch. 155, Sec. 1, eff. May 21, 1999.

Sec. 451.710. ANNEXATION OF TERRITORY BY MUNICIPALITY. On annexation by a municipality that is in the district, territory that is not in the district becomes part of the district.

Added by Acts 1999, 76th Leg., ch. 155, Sec. 1, eff. May 21, 1999.

SUBCHAPTER P. LOCAL CONTROL OF PEACE OFFICER EMPLOYMENT MATTERS IN
CERTAIN AUTHORITIES

Sec. 451.751. APPLICABILITY. This subchapter applies only to an authority in which the principal municipality has a population of more than 1.5 million.

Added by Acts 2001, 77th Leg., ch. 186, Sec. 1, eff. Sept. 1, 2001.

Sec. 451.752. DEFINITIONS. In this subchapter:

(1) "Association" means an organization in which peace officers employed by the authority participate and that exists for the purpose, wholly or partly, of dealing with the authority concerning grievances, labor disputes, wages, rates of pay, hours of work, or conditions of work affecting peace officers.

(2) "Public employer" means an authority that is required to establish the wages, salaries, rates of pay, hours of work, working conditions, and other terms and conditions of employment of peace officers employed by the authority.

Added by Acts 2001, 77th Leg., ch. 186, Sec. 1, eff. Sept. 1, 2001.

Sec. 451.753. GENERAL PROVISIONS RELATING TO AGREEMENTS, RECOGNITION, AND STRIKES. (a) An authority may not be denied local control over the wages, salaries, rates of pay, hours of work, or other terms and conditions of employment to the extent the public employer and the association recognized as the sole and exclusive bargaining agent under Section 451.754 agree as provided by this subchapter. Applicable statutes and applicable local rules and regulations apply to an issue not governed by the agreement.

(b) An agreement under this subchapter must be written.

(c) This subchapter does not require a public employer or a recognized association to meet and confer on any issue or reach an agreement.

(d) A public employer and the recognized association may meet and confer only if the association does not advocate an illegal strike by public employees.

(e) A peace officer of an authority may not engage in a strike or organized work stoppage against this state or a political subdivision of this state. A peace officer who participates in a strike forfeits any civil service rights, reemployment rights, and other rights, benefits, or privileges the peace officer may have as a result of the person's employment or prior employment with the authority. This subsection does not affect the right of a person to cease work if the person is not acting in concert with others in an organized work stoppage.

(f) The public employer's chief executive officer or the chief executive officer's designee shall select a group of persons to represent the public employer as its sole and exclusive bargaining agent for issues related to the employment of peace officers by the authority.

Added by Acts 2001, 77th Leg., ch. 186, Sec. 1, eff. Sept. 1, 2001.

Sec. 451.754. RECOGNITION OF PEACE OFFICER ASSOCIATION. (a) In an authority that chooses to meet and confer under this subchapter, the public employer shall recognize an association submitting a petition for recognition signed by a majority of the peace officers employed by the authority, excluding the head of the peace officer department of the authority and the assistant department heads in the rank or classification immediately below that of the department head, as the sole and exclusive bargaining agent for all of the peace officers employed by the authority, excluding the department head and assistant department heads, until recognition of the association is withdrawn by a majority of the peace officers eligible to sign a petition for recognition.

(b) Whether an association represents a majority of the covered peace officers shall be resolved by a fair election conducted according to procedures agreeable to the parties. If the parties are unable to agree on election procedures, either party may request the American Arbitration Association to conduct the election and to certify the results. Certification of the results of an election under this subsection resolves the question concerning representation. The association is liable for the expenses of the election, except that if two or more associations seeking recognition as the bargaining agent submit petitions signed by a majority of the peace officers eligible to

sign the petition, the associations shall share equally the costs of the election.

Added by Acts 2001, 77th Leg., ch. 186, Sec. 1, eff. Sept. 1, 2001.

Sec. 451.755. OPEN RECORDS. (a) A proposed agreement and a document prepared and used by the authority in connection with a proposed agreement are available to the public under Chapter 552, Government Code, only after the agreement is ratified by the governing body of the authority.

(b) This section does not affect the application of Subchapter C, Chapter 552, Government Code, to a document prepared and used by the authority in connection with the agreement.

Added by Acts 2001, 77th Leg., ch. 186, Sec. 1, eff. Sept. 1, 2001.

Sec. 451.756. RATIFICATION AND ENFORCEABILITY OF AGREEMENT. (a) An agreement under this subchapter is enforceable and binding on the public employer, the recognized association, and the peace officers covered by the agreement only if:

(1) the authority's governing body ratified the agreement by a majority vote; and

(2) the recognized association ratified the agreement by conducting a secret ballot election at which only the peace officers of the authority in the association were eligible to vote, and a majority of the votes cast at the election favored ratifying the agreement.

(b) An agreement ratified as described by Subsection (a) may establish a procedure by which the parties agree to resolve disputes related to a right, duty, or obligation provided by the agreement, including binding arbitration on a question involving interpretation of the agreement.

(c) A state district court of a judicial district in which the majority of the territory within the corporate limits of the principal municipality in the authority is located has jurisdiction to hear and resolve a dispute under the ratified agreement on the application of a party to the agreement aggrieved by an action or omission of the other party when the action or omission is related to a right, duty, or obligation provided by the agreement. The court may issue proper restraining orders, temporary and permanent injunctions, or any other writ, order, or process, including contempt orders, that are appropriate to enforcing the agreement.

Added by Acts 2001, 77th Leg., ch. 186, Sec. 1, eff. Sept. 1, 2001.

Sec. 451.757. AGREEMENT SUPERSEDES CONFLICTING PROVISIONS. (a) A written agreement ratified under this subchapter preempts, during the term of the agreement and to the extent of any conflict, all contrary state statutes, local ordinances, executive orders, civil service provisions, or rules adopted by the state, by the authority or another political subdivision, or by a division or agent of the authority or other political subdivision, such as a personnel board or a civil service commission.

(b) An agreement ratified under this subchapter may not interfere with the right of a member of a bargaining unit to pursue allegations of discrimination based on race, creed, color, national origin, religion, age, sex, or disability with the Commission on Human Rights or the federal Equal Employment Opportunity Commission or to pursue affirmative action litigation.

Added by Acts 2001, 77th Leg., ch. 186, Sec. 1, eff. Sept. 1, 2001.

Sec. 451.758. ELECTION TO REPEAL AGREEMENT. (a) Not later than the 60th day after the date an agreement is ratified by the public employer and the association, a petition signed by a number of registered voters who reside in the authority service area equal to 10 percent of the votes cast at the most recent general election in the county in which a majority of the territory within the corporate limits of the principal municipality in the authority is located may be presented to the county clerk of that county calling for the repeal of the agreement.

(b) If a petition is presented to the county clerk under Subsection (a), the authority shall:

(1) repeal the agreement; or

(2) certify that it is not repealing the agreement to the commissioners court of the county described by Subsection (a), which shall then call an election in the county to determine whether to repeal the agreement.

(c) An election called under Subsection (b) (2) may be held as part of the next regularly scheduled general election or at a special election called by the commissioners court for that purpose. The ballot shall be printed to provide for voting for or against the proposition: "Repeal the agreement ratified on _____ (date agreement was ratified) by the _____ (name of authority) and the peace officers employed by the

authority concerning wages, salaries, rates of pay, hours of work, and other terms of employment."

(d) If a majority of the votes cast at the election favor the repeal of the agreement, the agreement is void.

Added by Acts 2001, 77th Leg., ch. 186, Sec. 1, eff. Sept. 1, 2001.