SUMMARY OF APPROVED TRANSPORTATION AND AIR QUALITY BILLS
85TH TEXAS LEGISLATURE
JUNE 2017

House Bills

HB 62 (Craddick) Relating to the use of a wireless communication device while operating a motor vehicle.

HB 62 amends current law relating to the use of a wireless communication device while operating a motor vehicle, creates a criminal offense, and modifies existing criminal penalties.

The bill requires that the driver’s license applicants’ exam include a test of the applicant’s knowledge of the effect of using a wireless communication device.

Transportation Code is amended to require an officer to issue a written notice to appear for certain offenses, including the use of a wireless communication device. The bill establishes a misdemeanor offense punishable by a fine of not more than $99 for a first time offense or $200 if the offender has been previously convicted for the same offense, for using a hand held device to read, write, or send a text based communication while operating a moving vehicle that is not stopped. To be prosecuted, the behavior must be committed in the presence of or within the view of a peace officer or established by other evidence.

The bill includes exceptions and defenses to prosecution for the offense such as, if the cell phone is used in conjunction with a hands free device, to navigate a GPS system, to report illegal activity, to read a text that was an emergency, for occupation duties between an operator and a dispatcher, and to activate music. If the offense causes the death or serious bodily injury of another person, the offense would be punishable as a Class A misdemeanor punishable by a fine not to exceed $4,000 and confinement in jail for up to one year.

The bill requires the Texas Department of Transportation (TxDOT) to post a sign on each interstate highway or United States highway at the entrance to this state informing drivers of the law.

The bill preempts all local ordinances and rules or other regulations adopted by a political subdivision relating to the use of a portable wireless communication device by the operator of a motor vehicle to read, write, or send an electronic message.

The bill takes effect September 1, 2017.

HB 100 (Paddie) Relating to the regulation of transportation network companies.

HB 100 establishes a statewide framework for regulating transportation network companies (TNCs), requires and occupational permit and authorizes a fee.

A transportation network company is defined as a corporation, partnership, sole proprietorship, or other entity that, for compensation, enables a passenger to prearrange a digitally prearranged ride with a driver, exclusively through the entity’s digital network.
The bill gives the State exclusive authority to regulate TNCs. Municipalities and local entities would be prohibited from imposing a tax, license, setting rates, or operational requirements. However, an airport operator could establish certain regulations and a reasonable fee for TNCs that provide services at the airport. The bill authorizes a municipality or other local entity to contract with a TNC operating in the municipality's or entity's jurisdiction for the coordination of large events occurring.

Permits
A permit is required before operating a TNC in the state. Permit holders would have to maintain insurance, disclose fares to passengers, accept payments through the digital network, provide an electronic receipt, adopt intoxication policy and post it online, and pay an annual fee of $5,000 to the Texas Department of Licensing and Regulation (TDLR).

Drivers and Vehicles
A driver must be at least 18 years old, have a valid driver’s license and proof of registration and insurance on each vehicle to be used for TNC services. TNCs are also required to review a potential driver's driving record and perform a background check on each driver that searched the national sex offender registry and criminal records in a commercial nationwide database. A TNC could not allow a driver to log in who had been convicted of more than three moving violations in past three years; fleeing or attempting to elude a police officer, reckless driving or driving without a valid driver's license in the past three years; driving while intoxicated, fraud, property damage, theft, use of a motor vehicle to commit a felony, or an act of terrorism or violence in the past seven years.

The bill would require that vehicles used to provide TNC services have four doors, have passed a state inspection, and have a maximum capacity of eight occupants, including the driver. Additionally, a vehicle also used as a taxicab or limousine would not be allowed to provide TNC services.

Pilot Program and Report
The bill prohibits drivers from discriminating on the basis of a passenger's location or destination, race, religion, sex, disability, age, the use of a service animal or physical disabilities. Each TNC is required to conduct an accessibility pilot program in one of the four largest markets in which the company operates in this state to offer their services to disabled persons. In addition, a TNC must also provide a report on the findings of the TNC's pilot program to each legislative standing committee with primary jurisdiction over transportation not later than a certain date.

Data Sharing
A TNC must maintain records showing compliance with the provisions in the bill for two years, individual ride records for at least five years after the date of the ride, and driver records for at least five years after a driver became inactive. TDLR could not disclose records from the TNC to a third party, except in compliance with a court order or subpoena, and is required to take all reasonable measures to secure the information. A municipality and a transportation network company may voluntarily enter into an agreement under which the company shares the company’s data with the municipality.

TDLR would be allowed to suspend or revoke the permit of a TNC that did not meet the requirements of the bill.

The bill is effective immediately.
HB 890 (Geren) relating to providing information to the public and to purchasers of real property regarding the impact of military installations.

HB 890 amends the Local Government Code by adding a new section, Public Information Regarding Impact of Military Installations. A county and any municipality in which a military installation is located must work closely with the military installation to ensure that the most recent Air Installation Compatible Use Zone Study or Joint Land Use Study applicable to each military installation, or a link to that information is publicly available on the local governmental entity’s Internet website.

In addition, a seller’s disclosure notice for residential property is now updated to include information about a nearby military installation. The Seller’s Disclosure Notice in Section 5.008(b), Property Code, is amended to read as follows:

This property may be located near a military installation and may be affected by high noise or air installation compatible use zones or other operations. Information relating to high noise and compatible use zones is available in the most recent Air Installation Compatible Use Zone Study or Joint Land Use Study prepared for a military installation and may be accessed on the Internet website of the military installation and of the county and any municipality in which the military installation is located.

The bill takes effect on September 1, 2017.

HB 897 (Ashby) Relating to the exemption from the taxes imposed on the sale, use, or rental of certain motor vehicles owned or used by a church, religious society, or open-enrollment charter school and from registration fees for motor vehicles owned by open-enrollment charter schools.

HB 897 amends the Tax and Transportation Codes, regarding the motor vehicle sales and use tax and registration fees.

The bill exempts trailers purchased by religious organizations from paying the motor vehicle sales and use tax on such purchases and open-enrollment charter schools from paying the motor vehicle sales and use tax or rental taxes. The bill also adds an open-enrollment charter school to the definition of a public agency. In addition, open-enrollment charter schools are exempt from paying registration fees on a motor vehicle, trailer, or semitrailer.

The bill takes effect on September 1, 2017.

HB 1140 (Anderson) Relating to the allocation categories for state funding of public transportation.

The bill amends Chapter 456 of the Transportation Code to define urbanized areas under the current state funded public transportation grant program as "large urbanized area" for an area with a population of 200,000 or more and "small urbanized area" for an urbanized area with a population less than 200,000.

The Texas Transportation Commission is required to allocate to large urbanized, small urbanized, and nonurbanized areas, rather than urban, urbanized, and rural areas, under the current formula program.

The bill takes effect on September 1, 2017.
HB 1424 (Murphy) relating to the operation of an unmanned aircraft over certain facilities or sports venues; creating a criminal offense.

HB 1424 amends the Government Code by prohibiting the operation of an unmanned aircraft over a correctional or detention facility operated by the federal, state, or local government.

A correctional facility is defined as a confinement facility operated by or under contract with any division of the Texas Department of Criminal Justice, a municipal or county jail, a confinement facility operated by or under contract with the Federal Bureau of Prisons or a secure correctional facility or secure detention facility. A detention facility means a facility operated by or under contract with United States Immigration and Customs Enforcement for the purpose of detaining aliens and placing them in removal proceedings.

This does not apply to an operator of an unmanned aircraft that is being used for a commercial purpose, if the operation is conducted in compliance with each applicable Federal Aviation Administration (FAA) rule, restriction, or exemption and all required FAA authorizations.

In addition, operation of an unmanned aircraft over a sports venue is prohibited. A sports venue is defined as an arena, automobile racetrack, coliseum, stadium, or other type of area or facility that has a seating capacity of 30,000 or more people and is primarily used for one or more professional or amateur sports or athletics events. A person commits an offense if the person intentionally or knowingly operates an unmanned aircraft over a sports venue and the unmanned aircraft is not higher than 400 feet above ground level.

This does not apply to the federal government, the state, or a governmental entity, a law enforcement agency, an operator of an unmanned aircraft that is being used for a commercial purpose, if the operation is conducted in compliance with applicable Federal Aviation Administration rule, an owner or operator of the sports venue, or a person under contract by any of the aforementioned. An offense under this section is a Class B misdemeanor, or Class A misdemeanor if the actor has previously been convicted.

The bill takes effect September 1, 2017.

HB 1643 (Springer) relating to the regulation of the operation of an unmanned aircraft and the prosecution of a related criminal offense.

HB 1643 amends the Government Code by prohibiting the operation of an unmanned aircraft over any structure used as part of a system to provide wired or wireless telecommunications services, a concentrated animal feeding operation if enclosed by a fence, an oil or gas drilling site, a group of tanks used to store crude oil, an oil or gas wellhead, or any oil and gas facility that has an active flare.

In addition, a political subdivision may not adopt or enforce any ordinance, order, or other similar measure regarding the operation of an unmanned aircraft. A political subdivision is defined as a county, a joint board (as defined in Transportation Code, Title 3. Aviation, Chapter 22. County and Municipal Airports, Section 22.074) and a municipality.

A political subdivision may only adopt and enforce an ordinance, order, or other similar measure if the political subdivision applies for and receives authorization from the Federal Aviation Administration to adopt the regulation and after providing reasonable notice, holding a public hearing on the political
subdivision’s intent to apply for the authorization, and only for the following purposes: (1) the use of an unmanned aircraft during a special event, (2) the political subdivision’s use of an unmanned aircraft; or (3) the use of an unmanned aircraft near a facility or infrastructure owned by the political subdivision. An ordinance, order, or other similar measure in violation is void and unenforceable.

The bill takes effect September 1, 2017.

**HB 1791 (Pickett) Relating to the use of connected braking systems to maintain distance between vehicles.**

HB 1791 defines a connected braking system as a system by which the braking of one vehicle is electronically coordinated with the braking system of a following vehicle.

An operator of a vehicle equipped with a connected braking system that is following another vehicle equipped with that system may be assisted by the system to maintain an assured clear distance or sufficient space.

The bill is effective immediately.

**HB 1959 (Thompson) Relating to a study by the Texas Department of Motor Vehicles of alternative registration technologies for commercial motor vehicles.**

HB 1959 amends current law relating to alternative registration technologies for commercial motor vehicles.

The Texas Department of Motor Vehicles (DMV) is required to conduct a study that identifies and assesses alternative technologies for registering commercial motor vehicles to replace license plates, permits, and other existing documentation and registration methods currently in use in this state. The study must also evaluate the safety and suitability for use on roadways of those technologies. The bill requires the DMV to submit a report on the results of the study not later than December 1, 2021.

The DMV, in consultation with a state agency or research division of an institution of higher education, may establish a limited pilot program that identifies, implements, and assesses alternative technologies for registering commercial motor vehicles to replace license plates, permits, and other existing documentation and registration methods currently in use if the department determines that the program can be implemented at no cost to the state and that the results of the study conducted indicate that the program is feasible.

No later than December 1, 2022, the DMV must submit a report on the results of the program to the Governor, Lieutenant Governor, Speaker of the House, and presiding officer of each legislative standing committee with primary jurisdiction over transportation issues.

The bill is effective immediately.

**HB 2319 (Paddie) Relating to weight limitations for natural gas motor vehicles.**

HB 2319 authorizes a vehicle fueled primarily by natural gas to exceed any weight limitation by an amount equal to the difference between the weight attributable to the vehicle’s natural gas tank and fueling system and the weight of a comparable diesel tank and fueling system, provided that the gross weight of the vehicle or combination of vehicles does not exceed 82,000 pounds.
Permits and Fees

The bill also authorizes the Texas Department of Motor Vehicles (DMV) to issue an annual permit for the international transportation of intermodal shipping containers moving by a truck-tractor and semitrailer combination that has six axles, is equipped with a roll stability support safety system and truck blind spot system, and does not exceed 93,000 pounds, along with other axle distance limits and weights.

The DMV shall restrict vehicles operating under a permit to routes that are located in a county with a population of more than 90,000, on highways in the state highway system and not more than five miles from the border between this state and Arkansas. An intermodal shipping container being moved under a permit issued under this section must be continuously sealed from the point of origin to the point of destination.

The DMV is required to set the amount of the permit fee in an initial amount not to exceed $2,000. Of that fee, 90 percent would be deposited to the State Highway Fund, five percent deposited to the DMV Fund, and five percent to the appropriate county road and bridge fund. A fee may only be used for transportation projects in the Texas Department of Transportation (TxDOT) district designated in the permit application for which the fee was assessed.

Study

Beginning in 2022 on September 1 of each even-numbered year, TxDOT must conduct study concerning vehicles operating under a permit and publish the results of the study. The study will examine: (1) the weight and configuration of vehicles operating under a permit that are involved in a motor vehicle accident, (2) the types of vehicles operating under a permit issued under this section, (3) traffic volumes and variations of vehicles operating under a permit issued under this section, (4) weigh-in-motion data for highways located in and around the area allowed, (5) impacts to state and local bridges, and (6) impacts to state and local roads.

The bill is effective immediately.

HB 3964 (Meyer) Relating to the designation of a portion of State Highway 289 in Dallas County as the Harold C. Simmons Memorial Highway.

HB 3964 designates the portion of State Highway 289 (Preston Road) in Dallas County between its intersection with State Loop 12 (Northwest Highway) and its intersection with Royal Lane as the Harold C. Simmons Memorial Highway. This designation is in addition to any other designation.

The bill is effective immediately.
Senate Bills

SB 1 (Nelson) General Appropriations Bill

OVERVIEW
The Statewide budget provides $217 billion for fiscal years 2018-19.

TRANSPORTATION
Funding includes $26.6 billion in All Funds provided for all functions of the Department of Transportation (TxDOT); this includes $2.9 billion in funding from anticipated state sales tax deposits to the State Highway Fund (SHF) associated with voter approval of Proposition 7 in November 2015, $2.5 billion in funding from oil and natural gas tax-related transfers to the SHF (Proposition 1, 2014), and all available SHF from traditional transportation tax and fee revenue sources (estimated to be $8.8 billion for the 2018–19 biennium).

Funding of $23.0 billion in All Funds is provided for highway planning and design, right-of-way acquisition, construction, and maintenance and preservation. The All Funds amount includes $9.7 billion for maintenance and preservation of the existing transportation system, $4.5 billion for construction and highway improvements, $2.3 billion from Proposition 7, 2015, proceeds and $2.5 billion from Proposition 1, 2014, proceeds for constructing, maintaining, and acquiring rights-of-way for non-tolled public roadways, $2.3 billion for transportation system planning, design, and management, and $1.7 billion for right-of-way acquisition.

Funding provides $2.3 billion in All Funds for debt service payments and other financing costs, including $1.6 billion in Other Funds from the SHF and Texas Mobility Fund, $0.6 billion in Other Funds from Proposition 7, 2015, SHF proceeds for general obligation bond debt service, replacing General Revenue Funds for this purpose (decrease of $0.5 billion in General Revenue Funds), and $0.1 billion in Federal Funds from Build America Bond interest payment subsidies.

Proposition 1 Appropriations
Amounts appropriated from State Highway Fund No. 006 - Proposition 1, 2014, include estimated revenue transfers to the State Highway Fund for the 2018-19 biennium pursuant to Article III, Section 49-(c-1) of the Texas Constitution (estimated to be $563,000,000 in fiscal year 2018 and $739,022,000 in fiscal year 2019) to be used for constructing, maintaining, and acquiring rights-of-way for non-tolled public roadways, and unexpended balances remaining from prior fiscal years (estimated to be $722,223,531 in fiscal year 2018 and $485,671,609 in fiscal year 2019) for ongoing project development costs and construction contract payments on eligible roadway projects initiated prior to the 2018-19 biennium.

Proposition 7 Appropriations
Contingent upon the Comptroller transferring the fiscal year 2018 Proposition 7, 2015, amount (estimated to be $2,205,400,000) to the State Highway Fund pursuant to Article VIII, Sec. 7-c (a) of the Texas Constitution by September 3, 2018, and the Comptroller transferring a portion of the fiscal year 2019 Proposition 7, 2015, amount (estimated to be $700,000,000) to the State Highway Fund by August 31, 2019, the following amounts are allocated to the strategies above for the following purposes, in accordance with Article VIII, Sec. 7-c, subsection (c), of the Texas Constitution:
(1) $2,527,698,000 in fiscal year 2019 in Strategy A.1.7, Proposition 7, 2015, for the construction, maintenance, or acquisition of rights-of-way for public roadways other than toll roads; and

(2) $377,702,000 in fiscal year 2019 in Strategy F.1.1, General Obligation Bonds, for the repayment of principal and interest on general obligation bonds issued as authorized by Article III, Sec. 49-p, of the Texas Constitution.

Pursuant to Texas Constitution, Article VIII, Sec. 7-c (a), the full amount of sales tax proceeds for fiscal year 2018 and an estimated $700,000,000 for fiscal year 2019 shall be transferred to the State Highway Fund during the biennium. It is the intent of the Legislature that the remaining sales tax proceeds for fiscal year 2019 will transfer to the State Highway Fund in the following year.

In the event that revenue deposited to the State Highway Fund pursuant to Article VIII, Sec. 7- c, of the Texas Constitution is insufficient and/or unavailable at the time when payments of principal or interest are due on general obligation bonds issued as authorized by Article III, Sec. 49-p, of the Texas Constitution, TxDOT may temporarily expend General Revenue Funds for the repayment of principal and interest on those general obligation bonds in accordance with the provisions of Rider 17, Bond Programs, in the TxDOT budget. Any expenditure of General Revenue for the repayment of principal and interest on these general obligation bonds during the 2018-19 biennium shall be repaid to the General Revenue Fund using amounts appropriated above from State Highway Fund No. 006 - Proposition 7, 2015, by the end of the fiscal year in which the General Revenue Funds were expended or as soon as is practicable during the 2018-19 biennium under procedures and standards established by the Comptroller of Public Accounts.

TxDOT is authorized to transfer State Highway Fund No. 006 - Proposition 7, 2015, appropriations from Strategy A.1.7, Proposition 7, 2015, into Strategy F.1.1, General Obligation Bonds, in any amount necessary to repay principal and interest on general obligation bonds. The Department may transfer unexpended balances of State Highway Fund No. 006 - Proposition 7, 2015, appropriations remaining in Strategy F.1.1, General Obligation Bonds, to Strategy A.1.7, Proposition 7, 2015, after expenditures of such funds have been made for payments due on general obligation bonds during each fiscal year.

**Limitation on Expenditures for High-speed Rail**

None of the funds appropriated to TxDOT from state funds may be used for the purposes of subsidizing or assisting in the planning, facility construction or maintenance, security for, or operation of high-speed rail operated by a private entity. If the Department acts as a joint-lead agency with a federal agency under federal law, this section does not prevent TxDOT from using state funds to exercise its authority for oversight and coordination of federal processes and programs. For the purposes of this section, high-speed rail means intercity passenger rail service that is reasonably expected to reach speeds of at least 110 miles per hour.

TxDOT must prepare a report every six months summarizing the number of Full-Time-Equivalent (FTE) hours and expenses related to private high-speed rail work. The report shall be distributed to members of the Legislature whose districts include the potential high-speed rail projects and the chairs of relevant policy committees in each chamber.
Nothing in this provision is intended to preclude or limit TxDOT from executing its responsibilities under state or federal law including regulatory responsibilities, oversight of transportation projects, environmental review, policy development, and communication with public officials, or from coordinating with high-speed rail in the same manner as it treats other entities that work with the Department in the planning and coordination of their projects.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ)

Air Quality Planning
The budget rider for Air Quality Planning was line-item vetoed by the Governor. The following text has been removed from the budget:

Amounts appropriated above include $6,005,500 for the biennium out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, for air quality planning activities to reduce ozone in areas not designated as nonattainment areas during the 2016–17 biennium and as approved by the Texas Commission on Environmental Quality (TCEQ). These areas may include Waco, El Paso, Beaumont, Austin, Corpus Christi, Granbury, Killeen-Temple, Longview-Tyler-Marshall, San Antonio, and Victoria. These activities may be carried out through interlocal agreements and may include: identifying, inventorying, and monitoring of pollution levels; modeling pollution levels; and the identification, quantification, implementation of appropriate locally enforceable pollution reduction controls; and the submission of work plans to be submitted to the TCEQ. The TCEQ shall allocate $350,000 to each area and the remaining funds to each area based on population in excess of 350,000. The grant recipients shall channel the funds to those projects most useful for the State Implementation Plan (SIP).

Statement from the Governor:
This program funds, among other items, bicycle use programs, carpooling awareness, environmental awareness campaigns, and locally enforceable pollution reduction programs in near non-attainment areas, which can be funded at the local government level. Resources in the Clean Air Account should be prioritized to directly address problems in our non-attainment areas of the state so that we are better positioned to combat the business-stifling regulations imposed on these areas by the Environmental Protection Agency. I therefore object to and disapprove of this appropriation.

Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act
Amounts appropriated above include $750,000 in fiscal year 2018 out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, for research to obtain the data and information to refine and enhance any model used to demonstrate attainment with the National Ambient Air Quality Standard (NAAQS) and to assess air quality associated with other pollutants under the Federal Clean Air Act during the biennium beginning on September 1, 2017. These funds may also be used to collect and analyze data and procure appropriate computing tools for modeling to demonstrate attainment with the National Ambient Air Quality Standard for Ozone and other pollutants. TCEQ may contract as necessary to carry out these activities.

Texas Emissions Reduction Plan (TERP):

Grants and Administration
Amounts appropriated above in Strategy A.1.1, Air Quality Assessment and Planning, include $77,369,870 in fiscal year 2018 and $77,369,867 in fiscal year 2019 out of the Texas Emissions Reduction Plan (TERP) Account No. 5071. Pursuant to Health and Safety Code §386.252, the table below provides an estimated allocation for the TERP Account No. 5071 appropriations for each authorized use of the funds for the 2018-19 biennium.

<table>
<thead>
<tr>
<th>PROGRAMS</th>
<th>2018</th>
<th>2019</th>
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<tbody>
<tr>
<td>TERP Administration</td>
<td>$ 4,000,000</td>
<td>$ 4,000,000</td>
</tr>
<tr>
<td>Regional Air Monitoring Program</td>
<td>$ 3,000,000</td>
<td>$ 3,000,000</td>
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<tr>
<td>Emissions Reduction Incentive Grants</td>
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<td>$ 61,990,579</td>
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<tr>
<td>Clean School Bus (maximum)</td>
<td>$ 3,094,795</td>
<td>$ 3,094,795</td>
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<tr>
<td>Alternative Fueling Facilities Program</td>
<td>$ 3,868,494</td>
<td>$ 0</td>
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<tr>
<td>New Technology Implementation Grants (maximum)</td>
<td>$ 2,321,096</td>
<td>$ 2,321,096</td>
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<tr>
<td>Health Effects Study (maximum)</td>
<td>$ 200,000</td>
<td>$ 200,000</td>
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<tr>
<td>Research</td>
<td>$ 1,000,000</td>
<td>$ 1,000,000</td>
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<tr>
<td>Energy Systems Laboratory Contract (maximum)</td>
<td>$ 216,000</td>
<td>$ 216,000</td>
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<tr>
<td>Drayage Truck Incentive Program (minimum)</td>
<td>$ 1,547,397</td>
<td>$ 1,547,397</td>
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<tr>
<td>TOTAL</td>
<td>$ 77,369,870</td>
<td>$ 77,369,867</td>
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</table>

TCEQ is authorized to reallocate unexpended balances between programs to meet the objectives of the TERP program, provided such reallocations are within the statutory limitations on the use of TERP Account No. 5071 as set forth in Health and Safety Code §386.252.

**Low-Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP)**

The budget rider for LIRAP was line-item vetoed by the Governor. The following text has been removed from the budget:

Amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, include $43,468,055 in each fiscal year of the 2018-19 biennium in estimated fee revenues from vehicle inspection and maintenance fees generated pursuant to Health and Safety Code, §§382.202 and 382.302, to fund the Low-income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP). Out of these amounts, not more than $253,893 in each fiscal year shall be used by the Texas Commission on Environmental Quality (TCEQ) for costs associated with administering the LIRAP as authorized in Health and Safety Code, §382.202, and all remaining funds shall be used as LIRAP grants to local governments.

Amounts appropriated above in Strategy A.1.1, Air Quality Assessment and Planning, also include $4,829,673 in each fiscal year of the 2018-19 biennium out of the Clean Air Account No. 151 to be used only for purposes authorized in Chapter 382 of the Health and Safety Code for county implemented local initiatives projects to reduce air emissions.

Amounts appropriated above for LIRAP grants and local initiative projects also include an estimated $1,196,172 each fiscal year in estimated fee revenue generated from Travis County and $483,736 each fiscal year in estimated LIRAP fee revenue generated from Williamson County. The TCEQ shall allocate, at a minimum, the estimated revenue amounts collected in each of the counties during the 2018-19 biennium to provide LIRAP grants and local initiatives projects in those counties.
In addition to the amounts appropriated above, any additional revenues from vehicle inspection and maintenance fees generated from additional counties participating in the LIRAP beginning on or after September 1, 2017 are appropriated to the TCEQ for the biennium. Such funds shall be used to provide grants to local governments and to cover administrative costs of the TCEQ in administering the LIRAP.

Statement from the Governor:
The Low-Income Vehicle Repair Assistance Program (LIRAP) has done little to provide measureable improvements to air quality in our state’s non-attainment areas. Additionally, previously approved appropriations for this program have yet to be fully spent by the local entities who administer this program. The LIRAP program is similar to the ill-conceived and dubious Cash Jr Clunkers program and should be abolished. A veto of this appropriation will not only allow local entities to spend previously approved allocations, but will also allow counties an opportunity to reassess if they should continue to charge an optional local fee for this program. I therefore object to and disapprove of this appropriation.

The bill takes effect September 1, 2017.

SB 79 (Nelson) Relating to the production of public information available on a publicly accessible website.

SB 79 amends the Government Code to change the term “political subdivision” to a “governmental body” when referring to the entities for which the public information officer is authorized to comply with a public information request. The public information officer of a governmental body may refer a requestor to an exact Internet location or uniform resource locator (URL) on a website maintained by the entity.

The bill takes effect on September 1, 2017.

SB 82 (Nelson) Relating to prohibiting the temporary closure of segments of the state highway system on days that certain scheduled events are being held.

SB 82 amends the Transportation Code to require a contract for an improvement to a segment of the state highway system to prohibit a contractor from temporarily closing the highway, including temporarily relocating or changing an entrance or exit ramp to or from the highway, on the date that an event is scheduled to be held in a municipality in which the improvement is being proposed if, not later than 180 days before the date the event is scheduled to be held, the municipality notifies TxDOT and the contractor of the date.

The bill applies only to a municipality that is partially located in three counties, two of which have a population of 1.8 million or more, is primarily located in a county with a population of 1.8 million or more, and has within its boundaries all or part of an international airport operated jointly by two municipalities.

The bill takes effect September 1, 2017.

SB 277 (Campbell) relating to the eligibility of certain property for certain ad valorem tax incentives relating to wind-powered energy devices.
SB 277 amends Tax Code by prohibiting wind farm owners from receiving a property tax abatement, or a property tax limitation, if their wind turbines are located 25 nautical miles or less from a military aviation facility located in Texas.

A military aviation facility is defined as a base, station, fort, or camp at which fixed-wing aviation operations or training is conducted by the United States Air Force, the United States Air Force Reserve, the United States Army, the United States Army Reserve, the United States Navy, the United States Navy Reserve, the United States Marine Corps, the United States Marine Corps Reserve, the United States Coast Guard, the United States Coast Guard Reserve, or the Texas National Guard.

An owner or lessee of a parcel of property that is located wholly or partly in a reinvestment zone may not receive an exemption or limitation from taxes of any portion of the value of the property under a tax abatement agreement that is entered into on or after September 1, 2017, if, on or after that date, a wind-powered energy device is installed or constructed on the same parcel of real property at a location that is within 25 nautical miles of the boundaries of a military aviation facility located in this state. The prohibition does not apply if the wind-powered energy device is installed or constructed as part of an expansion or repowering of an existing project.

The bill will take effect September 1, 2017.

**SB 312 (Nichols) Relating to the continuation and functions of the Texas Department of Transportation.**

SB 312 continues TxDOT until September 1, 2029. The bill revises provisions governing state aircraft fleets, project selection, contracting, district performance measures, metropolitan planning organizations, and reports of information to the public.

**Long-Term Plan for Statewide Passenger Rail**

TxDOT is required to update the long-term plan for statewide passenger rail system at least once every five years. In addition to current requirements, the plan must now include an analysis of short-term and long-term effects of each proposed passenger rail system on state and local road connectivity, including effects on oversize or overweight vehicles and other commercial traffic, as well as an analysis of the effect of each proposed passenger rail system on statewide transportation planning, including the effect on future state and local road construction and road maintenance needs.

**Aesthetic Entrances and Ornamental Decorations**

TxDOT may enter into agreements with local governments, convention and visitors bureaus, chambers of commerce, or other governmental or nongovernmental entities for the purpose of purchasing supplies and materials to be used for aesthetic entrances to municipalities or census designated places along interstate highways or highway corridors or ornamental decorations along overpasses, provided that the department may not expend appropriated funds solely to plan, design, or construct aesthetic entrances to municipalities or census designated places along interstate highways or highway corridors or ornamental decorations along overpasses.

**Statewide Transportation Plan Dashboard**

TxDOT must develop and prominently display on the department’s Internet website a dashboard that clearly communicates to the public the transportation system strategies, goals and measurable targets, and other related performance measures, as well as the department’s progress, including trends over
time, in meeting the strategies, goals and targets, and other related performance measures. TxDOT must also semiannually publish on its website a project schedule and budget report on all highway construction projects by district that have been completed.

In addition, TxDOT must conduct an analysis on the effect of funding allocations made in the Unified Transportation Program (UTP) and project selection decisions on accomplishing goals described in the statewide transportation plan and provide this analysis and the department's methodology to metropolitan planning organizations (MPOs), the public, and members of the Texas Transportation Commission (TTC), and publish the information on the TxDOT website.

**Report On Completed Projects, Public Involvement, Project Portfolios**

TxDOT must semiannually publish website a report on all highway construction projects, listed by department district, that have been completed. The commission must adopt a policy explaining the department’s approach to public involvement and transparency related to the UTP. TxDOT is also required to make a report on any change to the UTP available on the department’s website and provide the report to the commission in a public meeting. The bill requires TxDOT to develop performance measures for each TxDOT district's project portfolio, track and report district performance, and review and evaluate project development activities in each district's project portfolio. A review of each project in the district is required and, when appropriate, input from key stakeholders such as local government sponsors or MPOs.

Hearings are required for projects that substantially change the layout or function of a connecting roadway or an existing facility, including the addition of managed lanes, high-occupancy vehicle lanes, bicycle lanes, bus lanes, and transit lanes.

**Metropolitan Planning Organizations**

The Transportation Commission is required to adopt rules governing:

- the alignment of TxDOT's funding forecasts with funding forecasts of MPOs including the funding forecasts used for long-term planning and the ten-year transportation plan
- the alignment of statewide project recommendation criteria developed by TxDOT with the project recommendation criteria of MPOs
- TxDOT’s timelines and review process for the ten-year transportation plan
- processes for allowing MPOs access to TxDOT’s information systems, software, and technical assistance
- processes for collaborating with MPOs to evaluate data needed to develop a performance-based planning and project selection system

Rules must take into consideration a MPO’s other federal deadlines and requirements.

**Road Designations**

In addition to road designations throughout the state, the portion of State Highway 360 from the municipal limits of Mansfield in Tarrant County to its intersection with East Sublett Road/West Camp Wisdom Road in Tarrant County is designated as the Rosa Parks Memorial Parkway. The portion of State Highway 360 from its intersection with U.S. Highway 287 in Ellis County to the municipal limits of Mansfield in Tarrant County is designated as the Senator Chris Harris Memorial Highway.
**Toll Payments**
The bill exempts emergency vehicles from paying a toll. TxDOT can send toll invoices by mail and electronically. Requirements of paying tolls are outlined in the bill with the related offenses if not paid.

**Limitation on Toll Facility Designation; Conversion of Nontolled State Highway**
If a nontolled state highway or a segment of a nontolled state highway was open to traffic as a high-occupancy vehicle lane on May 1, 2005, TxDOT may not operate it as a toll project, and may not transfer a highway or segment to another entity for operation as a toll project.

In determining the number of nontolled lanes, the department may only consider a general-purpose lane that is part of the highway and may not consider a lane of a frontage road to be a nontolled lane before or after reconstruction of the highway.

**Repayment of Money Contributed by Department**
A toll project entity must repay TxDOT any money that was contributed by TxDOT as participation in the cost of the entity’s toll projects, including money from the state highway fund, the Texas Mobility Fund, or other sources available to the department. Funds would be used for transportation projects located in that TxDOT district. If a transportation project that was the subject of repayment of department contributions is located in more than one department district, the department may reasonably allocate the repayments from that project between the districts where the project is located. A toll project entity is not required to repay funds held in a subaccount created under Section 228.012 (Project Subaccounts) or funds contributed by the department for a project if a toll project entity commenced the environmental review process for the project on or before January 1, 2014.

Finally, the bill makes changes to Transportation Code related to the aircraft fleet operated by TxDOT.

The bill takes effect September 1, 2017.

**SB 402 (Zaffirini) Relating to notice provided to persons with disabilities regarding the eligibility of persons with disabilities to use certain public transportation services.**

The bill requires public transportation providers to notify a person eligible to use the provider’s paratransit services and that the person is also eligible to use the services of another provider.

The bill will take effect September 1, 2017.

**SB 840 (Zaffirini) relating to certain images captured by an unmanned aircraft.**

The bill amends Government Code by allowing or removing certain images that are lawful to capture with an unmanned aircraft.

Images captured by telecommunications provider for maintaining telecommunications facilities or inspecting telecommunications facilities, assessing vegetation growth for telecommunications easements or for routing and siting for providing telecommunications service are added to the list of lawful images taken by an unmanned aircraft.
The bill removes the capturing of an image of real property or a person on real property that is within 25 miles of the United States border as a lawful use of an unmanned aircraft. However, property or a person on property that is within 25 miles of the United States border for the sole purpose of ensuring border security is added to the use of lawful images.

Finally, another addition to lawful images is if the image is captured by an employee of an insurance company in connection with the underwriting of an insurance policy, or the rating or adjusting of an insurance claim and the operator of the unmanned aircraft is authorized by the Federal Aviation Administration to conduct operations within the airspace from which the image is captured.

This act takes effect September 1, 2017.

**SB 975 (Birdwell) Relating to the security of high-speed rail operated by a private entity.**

SB 975 creates a new subchapter in Transportation Code to govern security for high-speed rail operated by a private entity.

A private operator of a passenger rail service is required to implement all security requirements of the federal Transportation Security Administration (TSA) or its successor agency, in the manner required by law for intercity passenger railroads. The operator must conduct periodic risk-based threat and vulnerability assessments and, in consultation with TSA, implement appropriate security measures based on results of the assessments. The high-speed rail operator must also collect and investigate security threat reports submitted by members of the public. An operator would require employees who were managers or supervisors and whose position included emergency management responsibilities to complete emergency management training under the Texas Disaster Act of 1975.

A high-speed rail operator is required to coordinate security activities and investigations with federal, state, and local law enforcement agencies, including communication about credible threats, major events, and vulnerable places along the rail line or on a train. The operator also would have to communicate, as appropriate, with the state Emergency Management Council and the Texas Division of Emergency Management.

The services of a peace officer employed by the state or a political subdivision could not be used unless the high-speed rail operator compensated the state or political subdivision for the officer's time. DPS would be required to administer and enforce the provisions of the bill and could adopt rules that were consistent with applicable federal rules, regulations, and standards as necessary to do so. DPS would have the same regulatory authority over railroads granted to the Texas Department of Transportation under state law.

The bill takes effect September 1, 2017.

**SB 977 (Schwertner) Relating to the use of state money for high-speed rail operated by a private entity.**

SB 977 prohibits the Legislature from appropriating money and a state agency from accepting or using state money to pay for a cost of planning, facility construction or maintenance, or security for, promotion of, or operations of high-speed rail operated by a private entity, except as required under federal or other state law.
A state agency is required to prepare a semiannual report of each expense described above and submit a copy to the Texas Transportation Commission, the comptroller, legislative committees with appropriate jurisdiction, the House speaker, the lieutenant governor, and the governor. The bill would not preclude or limit the execution of the Texas Department of Transportation's responsibilities under federal or state law.

The bill takes effect September 1, 2017.

**SB 1004 (Hancock) Relating to the deployment of network nodes in public right-of-way; authorizing fees.**

The bill allows wireless network companies to place network nodes in the public right-of-way (ROW) and would provide rules, regulations, and fee structures to reimburse cities for use of the ROW. Municipalities would retain authority to manage the public ROW to ensure the health, safety, and welfare of the public, and would receive compensation installing network nodes on poles.

**Definitions**

The bill provides definitions for the following terms: antenna, applicable codes, collocate, collocation, decorative pole, design district, historic district, law, macro tower, micro network node, municipally owned pole, municipal park, network node, network provider, permit, pole, private easement, public ROW, public ROW rate, service pole, transport facility, utility pole, wireless service, and wireless service provider.

**Limitation on Size of Network Nodes**

The bill limits the size and placement of network nodes. Equipment attached to a utility pole would have to be installed in accordance with the National Electric Safety Code, subject to applicable codes, and the utility pole owner’s construction standards.

**Exclusive Use Prohibited**

A municipality may not enter into an exclusive arrangement with any person for use of the public ROW for the construction, operation, marketing, or maintenance of network nodes or node support poles.

**Annual Public ROW Rate and Adjustment**

A rate for use of the public ROW could not exceed an annual amount equal to $250 per network node installed in the public ROW in the city limits. The municipality could charge a network provider a lower fee if the lower fee was nondiscriminatory, related to the use of the public ROW, and not a prohibited gift of the public property. A municipality also could adjust the fee once annually by half the annual change to the consumer price index.

**Use of Public ROW and Applicable Rate**

A network provider that wants to connect a network node to the network using the public ROW may install its own transport facilities or obtain transport service from a person that is paying municipal fees to occupy the public ROW that are the equivalent of not less than $28 per node per month.
Collocation of Network Nodes on Service Poles

A municipality shall allow collocation of network nodes on service poles on nondiscriminatory terms and conditions and at a rate not greater than $20 per year per service pole.

Prohibition on Other Compensation

A municipality may not require a network provider to pay any compensation other than the compensation authorized by this chapter for the right to use a public ROW for network nodes, node support poles, or transport facilities for network nodes.

Right of Access to Public ROW

Subject to the approval of a permit application if required, a network provider could, without need for a special use permit or similar zoning review and not subject to further land use approval, do the following in the public ROW:

- construct, modify, maintain, operate, relocate, and remove a network node or node support pole
- modify or replace a utility pole or node support pole
- collocate on a pole, subject to an agreement with the municipality

General Construction and Maintenance Requirements

A network provider must construct and maintain network nodes and support poles that do not:

- obstruct, impede, or hinder the usual travel or public safety on a public ROW
- obstruct the legal use of a public ROW by other utility providers
- violate nondiscriminatory applicable codes
- violate or conflict with the municipality’s publicly disclosed public ROW design specifications
- violate the federal Americans with Disabilities Act of 1990

General Limitation on Placement of Poles

A network provider must ensure that each new, modified, or replacement utility pole or node support pole installed in a public ROW in relation to which the network provider received approval of a permit application does not exceed the lesser of 10 feet in height above the tallest existing utility pole located within 500 linear feet of the new pole in the same public ROW, or 55 feet above ground level.

Installation in Municipal Parks and Residential Areas

A network provider could not install a new node support pole in a public ROW in a municipal park or adjacent to certain streets in or around residential areas without the municipality’s written consent.

Installation in Historic or Design Districts

In a historic district or design district, the network provider would have to obtain advance approval from a municipality before collocating new network nodes or installing new node support poles. A municipality may also request that the provider comply with the design and aesthetic standards of district or use camouflage measures.
Compliance with Undergrounding Requirement

A network provider must comply with nondiscriminatory undergrounding requirements, including municipal ordinances, zoning regulations, state law, private deed restrictions, and other public or private restrictions that prohibit installing aboveground structures in a public ROW without first obtaining zoning or land use approval.

Design Manual

A municipality may adopt a design manual for the installation and construction of network nodes and new node support poles in the public ROW that includes additional installation and construction details and the network provider must comply with a design manual.

Exceptions

A network provider may construct, modify, or maintain in a public ROW a network node or node support pole that exceeds the height or distance limitations prescribed by this chapter only if the municipality approves the construction, modification, or maintenance subject to all applicable zoning or land use regulations and applicable codes.

Discrimination Prohibited

A municipality, in the exercise of the municipality’s administrative and regulatory authority related to the management of and access to the public ROW, must be competitively neutral with regard to other users of the public ROW.

Applications and Permit Review Process

Except as provided in the bill, a municipality could not prohibit, regulate, or charge for the installation or collocation of network nodes in a public ROW.

No later than the 30th day after the date the municipality receives an application for a permit for a network node or node support pole, or the 10th day after the date the municipality receives an application for a permit for a transport facility, the municipality shall determine whether the application is complete and notify the applicant of that determination. If the municipality determines that the application is not complete, the municipality shall specifically identify the missing information.

A municipality shall approve an application that does not require zoning or land use approval under this chapter unless the application or the corresponding work to be performed under the permit does not comply with the municipality’s applicable codes or other municipal rules, regulations, or other law that is consistent with this chapter.

The municipality would be required to approve or deny an application for a node support pole within 150 days after receiving the application, an application for a network node within 60 days, and a transport facility within 21 days. An application would be deemed approved if it was not approved or denied before the applicable date.
Application Fees

A municipality could charge an application fee for a permit only if the municipality required a fee for similar types of commercial development. The application fee could not exceed the lesser of the municipality's processing costs, or $500 per application covering up to five network nodes, $250 for each additional network node per application, and $1,000 per application for each pole. A fee, application, or permit could not be required for certain work outlined in the bill, including routine maintenance that did not require excavation or closing of sidewalks or vehicular lanes in a public ROW. A municipality could require advance notice for certain types of work.

Certain Work Exempted

A municipality may not require a network provider to submit an application, obtain a permit, or pay a rate for routine maintenance that does not require excavation or closing of sidewalks or vehicular lanes in a public ROW; replacing or upgrading a network node or pole with a node or pole that is substantially similar in size or smaller and that does not require excavation or closing of sidewalks or vehicular lanes in a public ROW; or the installation, placement, maintenance, operation, or replacement of micro network nodes that are strung on cables between existing poles or node support poles, in compliance with the National Electrical Safety Code.

Use of Municipally Owned Utility Poles

The governing body of a municipally owned utility shall allow collocation of network nodes on municipally owned utility poles on nondiscriminatory terms and conditions and pursuant to a negotiated pole attachment agreement, including any applicable permitting requirements of the municipally owned utility.

Local Police-Power-Based Regulations

Subject to this chapter and applicable federal and state law, a municipality may continue to exercise zoning, land use, planning, and permitting authority in the municipality’s boundaries, including with respect to utility poles. A municipality may exercise that authority to impose police-power-based regulations for the management of the public ROW that apply to all persons subject to the municipality. A municipality may impose police-power-based regulations in the management of the activities of network providers in the public ROW only to the extent that the regulations are reasonably necessary to protect the health, safety, and welfare of the public.

Effective Date

The bill would take effect September 1, 2017.

The rates, terms, and conditions of agreements and ordinances entered into or enacted before the effective date would apply to all network nodes installed and operational before that date. For rates, terms, agreements, or ordinances affected by the bill that did not comply with the requirements of the bill, a municipality would be required to amend the agreement or ordinance to comply, and those amendments would take effect six months after the effective date. The rates, terms, agreements, or ordinances affected by the bill enacted on or after the effective date would be required to comply with the bill's requirements.
SB 1102 (Creighton) Relating to weight limitations for natural gas motor vehicles.

SB 1102 revises vehicle weight limits for vehicles powered by natural gas.

The Transportation Code is amended to authorize a vehicle that is powered by an engine fueled primarily by natural gas may exceed any weight limitation by an amount that is equal to the difference between the weight of the vehicle attributable to the natural gas tank and fueling system carried by that vehicle and the weight of a comparable diesel tank and fueling system, if the maximum gross weight of the vehicle or combination of vehicles may not exceed 82,000 pounds.

The bill is effective immediately.

SB 1120 (Zaffirini) Relating to the prohibition of local motor fuel taxes on compressed natural gas and liquefied natural gas.

SB 1120 extends the prohibition by political subdivision of local motor fuel taxes to the sale, use, or distribution of liquefied natural gas and compressed natural gas.

The bill amends the Tax Code to include any excise or occupation tax imposed by a political subdivision of the state on the sale, use, or distribution of compressed natural gas or liquefied natural gas among the taxes that state motor fuel taxes are imposed.

The bill is effective immediately.

SB 1305 (Nichols) Relating to the abolishment of the transportation infrastructure fund and the grant program using money from the fund.

SB 1305 repeals Transportation Code provisions relating to a county energy transportation reinvestment zone and its advisory board and the related grant program.

Chapter 222 of the Transportation Code relating to the authority of counties to create county energy transportation reinvestment zones (CETRZ) is repealed. The bill amends Chapter 256, Transportation Code, to remove the requirement for a county to designate a CETRZ to participate in the Transportation Infrastructure Fund grant program from counties.

The bill takes effect December 31, 2017.

SB 1522 (Nichols) relating to the composition of the aviation advisory committee.

SB 1522 amends Transportation Code to remove the specification that the aviation advisory committee has six members and instead requires the Texas Transportation Commission to determine the number of members of the committee by rule.

The bill replaces the requirement for a committee member to have five years of successful experience as an aircraft pilot, an aircraft facilities manager, or a fixed-base operator with a requirement for a majority of the committee members to have five years of such experience. The bill requires the commission to adopt the required rules not later than September 1, 2018.

The bill is effective immediately.
SB 1523 (Nichols) Relating to the creation of the state safety oversight program for rail fixed guideway public transportation systems.

SB 1523 amends current law relating to the creation of the state safety oversight program for rail fixed guideway public transportation systems and amends the Transportation Code to designate TxDOT as the agency responsible for implementing a state safety oversight program that satisfies the requirements of applicable federal law.

State Safety Oversight Requirements and Prohibitions
The bill requires TxDOT, unless waived under that law, to be financially and legally independent from any rail fixed guideway public transportation system under the oversight of TxDOT and prohibits TxDOT from employing an individual who is also employed by a rail fixed guideway public transportation system under the oversight of TxDOT. The bill prohibits TxDOT from directly providing public transportation services in an area with a rail fixed guideway public transportation system under the oversight of TxDOT and prohibits a public transportation entity from providing funds to TxDOT.

Oversight and Enforcement
The bill requires TxDOT to oversee all safety aspects of rail fixed guideway public transportation systems in accordance with federal law, including the development, implementation, and application of the public transportation agency safety plan.

The bill requires TxDOT to enforce federal and state laws on rail fixed guideway public transportation safety, review, revise, approve, oversee, and enforce the public transportation agency safety plan required under federal law, including the implementation by a rail fixed guideway public transportation system of the system’s plan; investigate and enforce the safety of rail fixed guideway public transportation systems; and coordinate all enforcement responsibilities with other governmental entities as needed.

Staffing and Training
TxDOT must also set staffing levels and training for the state safety oversight program. TxDOT will audit the compliance of the rail fixed guideway public transportation system as required by federal law and provide an annual status report. TxDOT may enter into an agreement with a contractor to carry out duties under the state safety oversight program.

The bill is effective immediately.

SB 1524 (Nichols) Relating to the movement of certain vehicles transporting an intermodal shipping container.

SB 1524 amends the Transportation Code to authorize the Texas Department of Motor Vehicles (TxDMV) to issue an annual permit authorizing the movement of a sealed intermodal shipping container moving in international transportation not more than 30 miles from an applicable port of entry.

Permit Issuance
The bill sets out the conditions under which such an intermodal shipping container permit may be issued and prohibits the governing body of a municipality from regulating the movement and operation on a state highway or county or municipal road of a combination of vehicles operating under the permit because of weight. A truck-tractor and semitrailer combination with specified configurations must have
six total axles with a maximum gross weight of 93,000 pounds or by a truck-tractor and semitrailer combination with specified configurations that has seven total axles with a maximum gross weight of 100,000 pounds, each of which are equipped with a roll stability support safety system and truck blind spot systems.

**County and Municipality Designations**
A permit applicant must designate each county and municipality where the permit will be used. A permit is not valid in a county or municipality that is not designated in the permit application. The bill requires an application for such a permit to be accompanied by a $5,000 permit fee of which 60 percent must be deposited to the credit of the State Highway Fund, 35 percent must be equally divided among and distributed to each county designated in the permit application, and five percent must be equally divided among and distributed to each municipality designated in the permit application.

**Permit Fee**
The bill requires the comptroller of public accounts, at least once each fiscal year, to send the amount due to each county to the county treasurer or office for deposit to the credit of the county road and bridge fund. The bill requires the comptroller, at least once each fiscal year, to send the amount due to each municipality to the office performing the function of treasurer for the municipality. The bill restricts the use of such funds received by a municipality to fund commercial motor vehicle enforcement programs or road or bridge maintenance or infrastructure projects.

**Route Restrictions**
An intermodal shipping container permit does not authorize the operation of a truck-tractor and semitrailer combination on the national system of interstate and defense highways or load-restricted roads or bridges, including a road or bridge for which a maximum weight and load limit has been established and posted by either TxDOT or a county commissioners court under other law. The bill establishes that a permit authorizes the operation of truck-tractor and semitrailer combination only on highways and roads approved by TxDOT.

**Permit Conditions**
The transportation of a sealed intermodal shipping container can only begin or end at a port of entry that is located in a county contiguous to the Gulf of Mexico. The bill prohibits such transportation from exceeding 30 miles from the port of entry. The bill requires the intermodal shipping container to be continuously sealed from the point of origin to the point of destination and does not authorize the transportation of a hazardous material.

**Offense and Study**
The bill creates a Class C misdemeanor offense for a person who fails to display the permit sticker in the manner required, carry the permit as required, or carry or present the required weight record. TxDOT will conduct a study concerning vehicles operating under a permit issued and publish the results of the study.

The bill takes effect on January 1, 2018.
SB 1731 (Birdwell) Relating to the repeal of laws governing certain state entities and a state compact, including the functions of those entities.

SB 1731 amends various statutes to abolish certain state advisory committees and other entities, including the Texas Emissions Reduction Plan (TERP).

Extension of Programs
The bill extends TERP, currently set to expire on August 31, 2019, to the end of the biennium in which Texas attains the national ambient air quality standards for ground-level ozone. The Clean School Bus program, the New Technology Implementation Grant program, the Texas Clean Fleet program, and the Texas Natural Gas Vehicle Grant program would each be extended from August 31, 2019, to the end of the biennium in which Texas attains the national ambient air quality standards for ground-level ozone.

Light-Duty Motor Vehicle Purchase or Lease Incentive Program
TCEQ must develop a purchase or lease incentive program for new light-duty motor vehicles and shall adopt rules necessary to implement the program; this program expired on August 31, 2015. The program shall authorize statewide incentives for the purchase or lease of new light-duty motor vehicles powered by compressed natural gas, liquefied petroleum gas, or hydrogen fuel cell or other electric drives for a purchaser or lessee who agrees to register and operate the vehicle in this state for a minimum period of time to be established by TCEQ. The bill outlines the requirements for the program.

Clean Transportation Triangle and Alternative Fueling Facilities
The bill would combine the Alternative Fueling Facilities program and the Clean Transportation Triangle program into one program under the AFF program name; the combined program would be extended from August 31, 2018, to the end of the biennium in which Texas attains the national ambient air quality standards for ground-level ozone. The eligibility for a grant, requirements for a grant application and distribution process are outlined in the bill.

Governmental Alternative Fuel Fleet Grant Program
In addition, the bill creates the Governmental Alternative Fuel Fleet Grant program. This program provides grants to an eligible state agency, county, municipality, or political subdivision in purchasing or leasing new motor vehicles that operate primarily on compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen fuel cells, or electricity, including fully electric motor vehicles or plug-in hybrid electric vehicles.

SB 1732 (Birdwell) Relating to the designation of the portion of Interstate Highway 35W in Johnson County as the Clifton Taylor Memorial Highway.

SB 1732 designates a portion of Interstate Highway 35W in Johnson County between its intersection with U.S. Highway 67 and East Hidden Creek Parkway as the Deputy Clifton Taylor Memorial Highway.

The bill takes effect September 1, 2017.

SB 1877 (Perry) Relating to sending notice of proposed contracts for highway projects by e-mail.

SB 1877 amends the Transportation Code to authorize TxDOT to send notification of proposed highway contracts electronically by email.

The bill is effective immediately.
SB 2075 (Rodriguez) Relating to vehicle registration.

SB 2075 updates certain processes relating to motor vehicle registration.

Registration Changes
The bill repeals Transportation Code provisions relating to the designation of a registration period by a person who owns more than one motor vehicle or trailer. The $10 annual extended commercial fleet vehicle registration fee is changed to a one-time fee. The fee is to be deposited to the Texas Department of Motor Vehicles Fund (currently deposited to the State Highway Fund).

The bill removes provisions establishing procedures for registering a vehicle if the county in which the owner resides is declared a disaster area. The bill establishes that a receipt for the renewed registration of a vehicle generated by an online registration system approved by the DMV is proof of the vehicle's registration until the 31st day after the date of renewal on the receipt. The DMV is authorized to carry out the International Registration Plan or other vehicle registration agreement with an authorized officer of another jurisdiction to require an applicant to register under the federal unified carrier registration system.

License Plates and Fees
The classification of license plates issued to certain farm vehicles, water well drilling machinery and construction machinery, and oil well servicing and drilling machinery are changed. The bill clarifies that a commercial farm motor vehicle registration may not be issued or renewed unless the vehicle's owner provides a registration number issued by the comptroller. The day a county assessor-collector is required to credit certain amounts to the county road and bridge fund is changed from each Monday to each Tuesday.

The bill takes effect September 1, 2017.

SB 2076 (Rodriguez) Relating to the titling of motor vehicles.

SB 2076 reorganizes and amends vehicle identification number (VIN) inspection requirements, VIN inspection processes, and title requirements. The bill also brings language regarding odometer disclosures in line with federal regulation terminology.

In addition, no later than December 31, 2018, the Department of Public Safety and the Texas Department of Motor Vehicles must conduct a study on the efficiency and necessity of the titling, including actions related to titling such as registration, and inspection of vehicles in this state. The DPS and DMV must also submit a report to the legislature on the results of the study that includes identification of any elements of the vehicle titling, including actions related to titling such as registration, and inspection programs that can be eliminated and recommendations for legislation to eliminate those elements.

The bill takes effect September 1, 2017.
SB 2205 (Hancock) Relating to the research and testing of motor vehicles with automated driving systems on highways in this state.

SB 2205 provides statewide regulations for automated vehicles.

An automated motor vehicle is allowed to operate on highways in Texas, with or without a human operator, provided that the vehicle was capable of operating in compliance with traffic laws, equipped with a recording device that may record velocity, location data, steering or brake performance, compliant with federal law and federal motor vehicle safety standards, registered and titled in accordance with Texas law, and covered by liability insurance or otherwise self-insured in accordance with existing Texas law.

A political subdivision or state agency is prohibited from imposing a franchise or other regulation relating to the operation of an automated vehicle or system. Additionally, the bill would provide that automated vehicles and driving systems capable of operating without a human driver would be governed exclusively by the provisions created in the bill, aside from specific exceptions, such as insurance and accident-related duties.

When an automated driving system is engaged, the automated driving system is considered to be licensed to operate the vehicle and the owner of the automated driving system is considered the operator for the purpose of compliance with motor vehicle laws.

The bill would take effect September 1, 2017, and would apply only to certain autonomous vehicles capable of performing the entire dynamic driving task.