

January 29, 2020 AGENDA ITEM #4

Amend Mobility Authority Policy Code Section 301.004 to provide a hardship exemption to certain qualified veterans

Strategic Plan Relevance: Regional Mobility

Department: Operations

Contact: Tracie Brown, Director of Operations

Associated Costs: approximately \$600,000 annually

Funding Source: Operations Budget

Action Requested: Consider and act on draft resolution

<u>Background</u>: Recent amendments to Section 372.053 of the Texas Transportation Code authorizes a toll project entity to limit to no more than two the number of transponders issued to a participant in the entity's waiver program for which free or discounted use of the entity's toll project is provided. The new legislation specifies that one of the two exemption may be issued under hardship as determined by the entity. Because the Mobility Authority has a veteran toll waiver program, it is required to comply with these new provisions.

<u>Current Action</u>: To codify the legislative changes described above, staff proposes amending Section 301.044(d) of Mobility Authority Policy Code. The specific changes are outlined below:

Through December 31, 2021, recipients of the Congressional Medal of Honor, Legion of Valor and Purple Heart awards as well as Disabled Veterans are eligible to participate in the Qualified Veterans Toll Discount Program to be exempt from paying a toll to use the authority's non variable rate toll facilities. Participation is limited to no more than two vehicles per qualified veteran, the designated primary plate and an additional plate upon demonstration of a hardship as determined by the Executive Director. All participants must be registered with the authority; the vehicle must be registered with the Texas Department of Motor Vehicles; the vehicle must have a qualifying specialty plate and have it properly displayed; the vehicle must be associated to an electronic toll tag account; and the participating veteran must have no outstanding CTRMA toll violations at the

time of the transaction. The exemption does not apply to the authority's express lane facilities.

The addition of a hardship exemption is expected to have a minimal financial impact of the Mobility Authority's revenue. Stantec, the Authority's traffic and revenue consultant, has estimated that the addition of a hardship exemption will result in revenue losses totaling approximately \$600,000 annually.

<u>Previous Actions</u>: The CTRMA Board of Directors issued a resolution in support of veteran toll exemptions in December 2009. The resolution authorized the Executive Director to design a program that provided free or discounted tolls on CTRMA toll roads for certain veteran classes and present the program for the Board's consideration at a future date once the State of Texas appropriated and made available funds sufficient to defray the full cost of the proposed program. The State has not made available funds to underwrite this program.

In July 2018, the Board of Directors approved the implementation of a veteran discount program to provide toll exemptions for certain qualified veteran customers. This program requires the veteran customer to register, have a valid electronic toll tag to be associated with the qualified license plate and pay all outstanding tolls and fees before being accepted into the program.

In September 2018 the Board approved adding qualified veterans to the list of exemptions in the *Mobility Authority Policy Code*. The program went into effect on November 1, 2018 and has exempted 799,727 tolls for 5,558 qualified license plates to date.

Recommended Action: Staff recommends approval of the amendments to the Mobility Authority Policy Code as proposed. Once approved, staff will update the Authority's customer-facing communications, design the additional registration portal and refine reports and processes to ensure a smooth implementation.

Backup Provided: Modified Policy Code language

SB 1091 Bill Analysis

Presentation
Draft Resolution

GENERAL MEETING OF THE BOARD OF DIRECTORS OF THE CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

RESOLUTION NO. 20-0XX

AMENDING MOBILITY AUTHORITY POLICY CODE SECTION 301.004 TO PROVIDE A HARDSHIP EXEMPTION TO CERTAIN QUALIFIED VETERANS

WHEREAS, by Resolution No. 18-039, dated July 25, 2018, the Board approved the development of a veteran toll waiver program to provide free or discounted use of Central Texas Regional Mobility Authority (Mobility Authority) toll projects to veterans eligible under Section 372.053, subject to certain restrictions set forth in Resolution 18-039; and

WHEREAS, by Resolution 18-059, dated October 31, 2018, the Board approved certain amendments to Mobility Authority Policy Code, Chapter 3, Article 1, Subchapters A & B, including revisions to Section 301.004 to implement the Qualified Veterans Toll Discount Program; and

WHEREAS, participation in the Qualified Veterans Toll Discount Program is currently limited to one (1) vehicle per qualified veteran; and

WHEREAS, in 2019, the 86th Texas Legislature passed and the Governor signed S.B. 1091, which amended Section 372.053 of the Transportation Code to require a toll project entity such as the Mobility Authority that implements a veteran toll waiver program with a limit of one (1) vehicle per participating veteran, to allow an eligible veteran to receive the discount on a second vehicle upon a demonstration of hardship, as determined by the toll project entity; and

WHEREAS, the Executive Director recommends amending Mobility Authority Policy Code Section 301.004 as shown in Exhibit A to comply with Texas Transportation Code § 372.053, as amended.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby amends Section 301.004 of the Mobility Authority Policy Code as shown in <u>Exhibit A</u> attached hereto.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 29th day of January 2020.

Submitted and reviewed by:	Approved:
Geoffrey Petrov, General Counsel	Robert W. Jenkins, Jr. Chairman, Board of Directors

Exhibit A

301.004 Exemption from Toll

- (a) The operator or the registered owner of a vehicle operated on an authority toll facility is required to pay the toll established by this subchapter unless the vehicle is exempted by federal law, state law or by this section.
- (b) An authorized emergency vehicle defined by Section 541.201, Transportation Code, is exempt from paying a toll to use an authority toll facility under Section 370.177, Transportation Code.
- (c) A state or federal military vehicle is exempt from paying a toll to use an authority toll facility under Section 362.901, Transportation Code.
- (d) Through December 31, 2021, recipients of the Congressional Medal of Honor, Legion of Valor and Purple Heart awards as well as Disabled Veterans are eligible to participate in the Qualified Veterans Toll Discount Program. To be exempt from paying a toll to use the authority's non variable rate toll facilities. Participation is limited to no more than two vehicles per qualified veteran, the designated primary plate and an additional plate upon demonstration of a hardship as determined by the Executive Director. All participants must be registered with the authority; the vehicle must be registered with the Texas Department of Motor Vehicles; the vehicle must have a qualifying specialty plate and have it properly displayed; the vehicle must be associated to an electronic toll tag account; and the participating veteran must have no outstanding CTRMA toll violations at the time of the transaction. Participation is limited to one (1) vehicle per qualified veteran. The exemption does not apply to the authority's express lane facilities.
- (e) Under Section 370.177(a-1), Transportation Code, and to facilitate a multi-modal transportation system that ensures safe and efficient travel for all individuals in central Texas, a vehicle used exclusively to provide transportation to a member of the public under a transit program established and managed by the Capital Metropolitan Transportation Authority or the Capital Area Rural Transportation System is exempt from paying a toll to use an authority toll facility.
- (f) The authority will create technical procedures to implement the toll exemptions described and established by this section.

BILL ANALYSIS

Senate Research Center

S.B. 1091 By: Nichols Transportation 6/11/2019 Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Section 372.053, Transportation Code, authorizes a toll entity to establish a discount program for eligible veterans. The Texas Department of Transportation (TxDOT) administers the current discount program, to waive tolls for certain veterans on TxDOT-owned toll roads. Current law does not limit the number of plates a qualifying veteran may obtain, though Sections 504.202 and 504.315, Transportation Code, specify that vehicle registration should be for a veteran's own use.

In fiscal year 2017, on the Central Texas Turnpike System and Grand Parkway, a total of 6.8 million transactions qualified for the veteran toll discount. As of August 31, 2017, 315,899 plates were eligible for the discount. 69,825 veterans had more than one qualifying license plate, and of that number, 719 veterans had five or more qualifying plates.

S.B. 1091 would limit the number of plates that a veteran is allowed to register for purposes of receiving the discount program for eligible veterans to one and would recognize that the Texas Department of Motor Vehicles has a system in place to designate a primary plate and allow free passage for the specified plate for each qualifying veteran. (Original Author's/Sponsor's Statement of Intent)

S.B. 1091 amends current law relating to vehicles eligible for veteran toll discount programs.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 372.053, Transportation Code, by amending Subsection (a) and adding Subsections (a-1) and (a-2), as follows:

- (a) Creates Subsection (a-1) from existing text of this subsection and makes no further changes to this subsection.
- (a-1) Requires the program established under Subsection (a) to include free or discounted use of the entity's toll project by an electronic toll collection customer whose account relates to a vehicle registered under Section 504.202 (Veterans With Disabilities) or 504.315(f) (relating to plates issued to recipients of certain medals) or (g) (relating to plates issued to recipients of the Purple Heart). Makes a nonsubstantive change.
- (a-2) Authorizes a toll project entity to limit to no more than two the number of transponders issued to a participant in the entity's waiver program for which free or discounted use of the entity's toll project is provided under Subsection (a-1). Requires a toll project entity that adopts a limit under this subsection to allow a participant to be issued one extra transponder on a demonstration of hardship by the participant, as determined by the entity.

SECTION 2. Effective date: upon passage or September 1, 2019.