

SENATE BILL 1471

By Haynes

AN ACT to amend Tennessee Code Annotated, Title 64,
Chapter 8, relative to regional transportation
authorities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 64, Chapter 8, is amended by deleting the chapter in its entirety and by substituting instead the following:

§ 64-8-101. The express purposes of the regional transportation authority are to improve mobility and expand multimodal transportation options for residents and visitors in Tennessee's large urban areas. The intent of the legislation is to acknowledge the significant responsibilities of the state, regional, and local governments in managing congestion in large urban areas by establishing additional tools for those areas to plan, finance, construct, operate, maintain, and manage mass transit systems and related developments to include, but not limited to, demand-response transit services, vanpool programs, rideshare programs, local bus services, regional bus services, bus rapid transit services, light rail transit services, commuter rail services, park-and-ride lots, transit-oriented-development nodes, and all infrastructure that would be required to support or sustain such facilities or services and developments.

§ 64-8-102. As used in this chapter, unless the context otherwise requires:

(1) "Authority" means a regional transportation authority created pursuant to this chapter;

(2) "Board" means the board of directors of an authority;

(3) "Creating municipality" means any metropolitan form of government, city, or county that creates an authority pursuant to this chapter;

(4) "Executive officer" means the mayor, county mayor, or other chief executive officer of any creating municipality;

(5) "Governing body" means the chief legislative body of any creating municipality;

(6) "Mass transit system" means without limitation, a combination of real and personal property, structures, improvements, buildings, terminals, parking facilities, equipment, plans, and rights-of-way, public rail and fixed guideway transportation facilities, rail or fixed guideway access to, from, or between other transportation terminals, and commuter railroads and commuter rail facilities, or any combination thereof or addition thereto, used, directly or indirectly, useful or convenient for the purpose of public transportation by automobile, truck, bus, rapid transit vehicle, light rail, or heavy rail;

(7) "Metropolitan government" means the political entity created by consolidation of all, or substantially all, of the political and corporate functions of a county and a city or cities;

(8) "Metropolitan planning organization" means the federally-designated regional transportation planning agency established for urbanized areas of at least 50,000 people to develop a long-range regional transportation plan and short-range transportation improvement program;

(9) "Regional transportation authority of middle Tennessee" means the regional transportation authority created by the chapter 1026 Public Acts of 1988, and composed of certain counties and the cities contained in those counties, such counties being Davidson, Sumner, Williamson, Wilson, Robertson, Cheatham, Maury, Dickson and Rutherford.

(10) "State" means the state of Tennessee;

(11) “Transit adjacent development” means development near or next to a transit station that promotes or takes advantage of transit ridership but is not designed specifically around a transit station; and

(12) “Transit oriented development or TOD” means, without limitation, land use development centrally located around a transit station, sometimes part of the station or where the station is a prominent feature of the development, that has a mixture of land uses in close proximity to one another including office, residential, retail, public and civic uses, occurring at a relatively high density. TOD is designed to be walkable and easy to navigate by bicycles and other non-motorized modes of transportation.

§ 64-8-103.

(a)

(1) Any metropolitan government of a population of not less than two hundred thousand (200,000) as of the most recent federal census or any two (2) or more counties or municipalities, adjacent to one another, having a combined population of not less than two hundred thousand (200,000), as of the most recent federal census may create a regional transportation authority in the manner provided in this chapter.

(2) The governing bodies of all creating municipalities for a proposed new regional transportation authority, if they shall determine there is a public purpose, public and governmental function for and that the public convenience and necessity requires the creation of a regional transportation authority, shall adopt, and the executive officer for each of the creating municipalities shall approve, a joint resolution so declaring and creating an authority, which resolution shall designate the name and

principal office address of the authority. A certified copy of the joint resolution bearing the signatures of each of the creating municipalities shall be filed with the secretary of state and with the commissioner of transportation, and upon adoption and filing, the authority shall constitute a body politic and corporate, with all the powers provided in this chapter.

(3) Using the process described for creation in subdivision (a)(2), additional metropolitan governments, municipalities, and counties may join an established regional transportation authority so long as they are immediately adjacent to the existing boundaries of the authority and are accepted into the authority with at least a simple majority vote of acceptance by the board of the authority.

(b)

(1) Notwithstanding subsection (a), the regional transportation authority of middle Tennessee shall continue to operate as a regional transportation authority under chapter 1026 of the Public Acts of 1988, but may, with a simple majority vote of the governing board:

(A) Elect to reconstitute into a regional transportation authority created pursuant to the provisions of this part; and

(B) Specify an amount of time for the local governing body of each member jurisdiction to pass a resolution and to fulfill the requirements of creation established by subdivision (a)(2) in order to be a member in the new authority.

(2) Until the creation of the reconstituted regional transportation authority is fully completed pursuant to this chapter, the regional transportation authority of middle Tennessee will continue to exist and to

exercise all of the powers and duties granted to it as it has done since its creation, and shall not be dissolved until its successor entity, the reconstituted regional transportation authority created pursuant to the provisions of this part, is fully completed pursuant to this chapter.

(3) Notwithstanding any provisions contained within this part, and regardless of whether the option of reconstitution is elected and pursued as provided in this part, either the regional transportation authority of middle Tennessee, or its successor entity, the new reconstituted authority created pursuant to the provisions of this part, shall remain the holder and legal and equitable owner of all of the assets of the regional transportation authority of middle Tennessee and shall be responsible for all its prior contract obligations, notes, liabilities, agreements, and grant obligations and the holders of the regional transportation authority's obligations, debts, liabilities, notes, loans, and contractual obligation shall recognize and honor any and all grants or loans made to this authority whether the authority was created under prior legislation or reconstituted under this chapter.

§ 64-8-104.

(a)

(1) The authority shall be governed by a board consisting of the following representation:

(A) The county mayor, county executive or metropolitan mayor or executive of each county included within the authority;

(B) The mayor of each incorporated town or city included in the authority;

(C) The commissioner of transportation or the commissioner's designee; and

(D) One (1) person residing in each county of the authority to be appointed by the governor. In making these appointments, the governor shall appoint people who are knowledgeable concerning mass transit and who reflect the composition and interest of the population of the county from which they are appointed.

(2) The ex officio members shall serve during their terms of office and the appointed members shall be appointed to five-year terms, and may be reappointed.

(b) The board shall elect a chair and such other officers as it may deem necessary.

(c) The board shall meet at least annually and special meetings may be called at any time by the chair or upon request of a majority of the membership, following the service of reasonable notice on all board members.

(d) The commissioner of transportation or any ex officio member may have a designated alternate who shall be entitled to vote and fully participate in the actions of the board in the stead of the ex officio member. The authority in its bylaws shall establish the process, scope, tenure, and procedure of designation of an alternate.

(e) Actions of the board shall require a majority vote of a quorum of the board such quorum being set by the authority's bylaws.

(f) The board may establish through bylaws an executive committee and such procedures and rules for its operation as it may deem necessary. The

executive committee may be empowered to perform as the administrative body of the board. The executive committee may be empowered by the board to act in its stead.

(g) Members of the board shall serve without compensation, but appointed members may receive reimbursement for necessary travel expenses from funds available to the authority.

§ 64-8-105. The board may employ such personnel or contract for professional planning, engineering, management, operating, and support services as it may deem necessary from funds available to it. The board may also utilize services or assistance including the loan of personnel from any member county or municipality, public transit agency, metropolitan planning organization, rural planning organization, regional council of governments, development district or state agency or department.

§ 64-8-106.

(a) The board shall develop a plan for the operation and expansion of mass transit services in the authority's region. The plan shall be consistent with the multi-modal regional transportation plan adopted by the region's metropolitan planning organization or similar regional transportation planning body and be reflective of the transportation goals and objectives of the municipalities and counties located within the authority. The plan shall include, but not be limited to, the following:

- (1) A map and description of existing and proposed transit corridors;
- (2) A map and description and description of areas to be served;
- (3) A description of the frequency and method of providing existing and proposed transit services in those areas;

(4) A description of how regional services will be coordinated with local public and private transportation operators and agencies;

(5) A description of how existing and proposed regional services will be funded including a plan to coordinate contributions from public and private sources throughout the region;

(6) A description of how the regional transportation authority plans to deliver service, either directly, or through a contract or agreement with other public or private transportation agencies or other entities;

(7) A provision for the conduct of special services for disabled persons or other persons unable to use regularly scheduled and equipped services sufficient to meet the requirements of the Americans with Disabilities Act;

(8) A provision of services for special events or occasions;

(9) A description for how the regional transportation authority will use its property around existing and proposed transit stations to encourage ridership and to support local community goals for quality growth. The description shall include an overview of the authority's intent to pursue transit oriented development or transit adjacent development plans, or both, working with local governments and within local zoning regulations and land use policies. It is the legislative intent to allow the transit entity/district to negotiate with private developers or other public agencies for the best use of land owned by the transit district (purchased with federal, state, or local revenues or from acquired through donations from public or private entities) including long-term land leases and rents

or the development of office, retail, or residential establishments, or both, on transit district property to generate transit ridership; and

(10) Any other provisions necessary or desirable to establish a coordinated, reliable, scheduled regional service.

(b) In addition to the powers to plan for mass transit services, the authority shall have the following additional powers and duties in order to implement its plans for mass transit and other transportation services and plans for transit adjacent and transit oriented development:

(1) To organize itself into a public body, elect officers and adopt bylaws for the purpose of carrying out the functions authorized by this part;

(2) To sue and be sued in its name with any causes of action against the authority or recovery against the authority governed by and subject to the limitations imposed by the Governmental Tort Liability Act, compiled in title 29, chapter 20;

(3) To enter into contracts and cooperative agreements with governmental, not-for-profit, and for-profit entities;

(4) To purchase, own, lease, and dispose of real and personal property in furtherance of the purposes of and the implementation of the authority's transit and transportation plans and plans for transit adjacent and transit oriented development;

(5) To acquire real property by eminent domain in furtherance of the purposes of and the implementation of the authority's transit and transportation plans and plans for transit adjacent and transit oriented development. The power of eminent domain herein conferred may be

exercised pursuant to title 29, chapter 16 or title 29, chapter 17; however, the limitations on the use of the power of eminent domain provided in §§ 29-17-101 - 29-17-106 shall apply to all condemnation proceedings initiated pursuant to this subdivision (b)(6).

(6) To employ personnel or contract with public or private entities to construct or operate transportation and transit services and to develop, within local land development laws and regulations, transit adjacent and transit oriented development;

(7) To employ or contract for professional services such as, but not limited to, management, planning, support, engineering, legal, accounting and auditing services;

(8) To utilize for transit or transportation services any property, right-of-way, easement or other similar property owned or held by the state or any municipality, county or metropolitan government, or federal government department or agency within the transportation service area of the authority that may be necessary and convenient for the implementation of the authority's transit and transportation plans so long as the governmental entity owning or controlling such property shall consent to the authority's use;

(9) To establish local assessments to be paid by its city, town, metropolitan, and county government members. The local assessment shall be based on a per capita and a flat rate. In establishing the per capita assessment, the authority shall use the population figures of the latest certified population of Tennessee incorporated municipalities and certified population of Tennessee counties as reported by the department

of economic and community development. For any regional transportation authority created by Chapter 1026 of the Public Acts of 1988, the per capita assessment established by the authority shall be at a rate of not less than ten cents (10¢) per capita nor greater than fifty cents (50¢) per capita. The authority shall establish a flat assessment of five hundred dollars (\$500). For any regional transportation authority created or reconstituted under this chapter, the per capita assessment shall be established by a vote of the governing board, but shall not be less than 10 cents (10¢) per capita. For the purpose of calculating the assessment for any county or metropolitan government, the population of any town or city located wholly or partly within the county, or the towns or cities within the geographic boundary of the metropolitan government, but which are not a part of the metropolitan government, shall not be included in the population of the county or metropolitan government. The authority's local assessment shall be imposed on October 1 of each calendar year, and the member government shall pay either the per capita rate or the flat assessment, whichever is greater. Failure of a city, town, metropolitan or county government to pay such assessment shall result in the loss of that government's participation in the governance and benefits of the authority;

(10) To impose fees for the services provided by the authority; and

(11) To borrow money in order to proceed with or finish the construction of mass transit or other transportation services or to fund the operations and capital cost of such services and purchase of real property and the construction of infrastructure and improvements or contract for

the construction of the infrastructure and improvements to implement the authority's plans for transit adjacent and transit oriented development.

The authority may enter into a security agreement pledging, as appropriate, to secure the loan with:

(A) Anticipated forthcoming grants from the state or federal government pursuant to § 64-8-105, subject to the approval, restrictions, and requirements of the state or federal government grantor; provided, however, that such approval must be reauthorized if such funds are not received within one (1) year of the initial approval;

(B) Anticipated assessments from local governments pursuant to subdivision (b)(9);

(C) The authority's real or personal property; or

(D) Other revenues.

(c) The implementation of the authority's transit and transportation plans and plans for transit adjacent and transit oriented development will necessitate the acquisition, construction, operation, and maintenance of properties, facilities, and equipment and the employment of personnel or contracting for services all of which the authority is authorized to undertake and accomplish and all of which are hereby declared and deemed to be for public and governmental functions conducted by the authority. The authority is a public body corporate and politic and all powers and duties granted by this part are and shall be declared public and corporate purposes and matters of public necessity.

§ 64-8-107. In order to finance the construction, operation, maintenance, and management of the mass transit and transportation plans and plans for transit adjacent

or transit oriented development established by the authority, the authority shall have the following powers:

(1) To fix, alter, establish, and collect rates, fares, fees, rentals, tolls, and other charges for the services planned, financed, constructed, operated, maintained, and managed by the authority associated with transit and transit oriented development including, but not limited to, demand-response transit services, vanpool programs, rideshare programs, local bus services, regional bus services, bus rapid transit services, light rail transit services, commuter rail services, park-and-ride lots, transit-oriented-development nodes, and all infrastructure that would be required to support or sustain such facilities or services. These rates, fares, fees, rentals, tolls, sales, and other charges shall always be sufficient to comply with any covenants made with the holders of any bonds issued pursuant to this chapter;

(2) To solicit, accept and expend grants, appropriations, contributions or other funds from any source, public or private, and maintain an accounting of such receipts and expenditures, subject to audit by the comptroller of the treasury;

(3) To sell, convey, exchange, lease as a lessor, transfer, or otherwise dispose of any real or personal property, or interest therein, acquired by the authority, including air rights, or to purchase, lease, condemn (pursuant to the provisions in this chapter governing the exercise of the power of eminent domain by the authority) or otherwise acquire real property as needed for the construction or operation of mass transit or transportation services and to implement transit adjacent or transit oriented development plans;

(4) To issue bonds in order to accomplish any of the purposes authorized by this chapter in accordance with §§ 68-221-611 and 68-221-612 or § 64-4-110;

(5) To delineate and create a special district in all or portions of the areas of the regional transportation authority for the purposes of levying a tax or assessment to raise revenues to be dedicated to the authority for the implementation of the authority's plan. A special district may be created only in those areas of the authority that have or are planned to have a benefit from services being provided by the authority, and shall be permitted to include multiple counties or cities. Local governments shall have the right to opt out of the special district prior to the levy of a tax or assessment through a vote of the local governing body;

(6) To levy one (1) or more of the following taxes or assessments, subject to approval by the qualified voters within the special district, in order to fund the plan adopted by the authority: sales and use taxes, property taxes, privilege and excise taxes, and any other tax taxable by law for state, county, or municipal purposes and not prohibited by the Tennessee Constitution; and

(7) To petition its participating local governments to levy or request voter approval for one (1) or more of the following taxes and to dedicate it to the authority in order to fund the plan adopted by the authority: sales and use taxes, property taxes, privilege and excise taxes, and any other tax taxable by law for state, county, or municipal purposes and not prohibited by the Tennessee Constitution. Any city or county government levying a tax pursuant to this subdivision (7) may limit the levy of the tax to the area included within the special district created by the regional transportation authority. Any local government

levying a tax pursuant to this subdivision may make such levy subject to approval by the qualified voters in the area subject to the tax in accordance with § 2-3-204.

SECTION 2. This act shall take effect upon becoming law, the public welfare requiring it.