

**Dallas Area Rapid Transit
SPECIAL CALLED MEETING OF THE
COMMITTEE-OF-THE-WHOLE
Conference Room 1-C – 1st Floor
1401 Pacific Ave., Dallas, Texas 75202**

Friday, March 21, 2025 – 9:00 a.m.

The Dallas Area Rapid Transit Special Called Meeting of the Committee-of-the-Whole, with Board Chair Presiding, will be held at the DART Headquarters Conference Room 1-C, 1st floor and by videoconference.

The public may attend in person or view the meeting at:

<https://www.dart.org/about/public-access-information/board-meetings-information>

General Items:

1. Public Comments

Individual Items:

2. Approval to Establish a General Mobility Program
(Gary A. Slagel/Nadine S. Lee)
3. Approval of a Resolution for Legislative Priorities on Governance for the 89th Session of the Texas Legislature
(Gary A. Slagel/Nadine S. Lee)

Other Items:

4. Identification of Future Agenda Items
5. Adjournment

The Special Called Meeting of the Committee-of-the-Whole may go into Closed Session under the Texas Open Meetings Act, Section 551.071, Consultation with Attorney, for any Legal issues, under Section 551.072, Deliberation Regarding Real Property for real estate issues, or under Section 551.074 for Personnel matters, or under Section 551.076 or Section 551.089, for Deliberation Regarding the deployment or implementation of Security Personnel or devices, arising or regarding any item listed on this Agenda.

This facility is wheelchair accessible. For accommodations for the hearing impaired, sign interpretation is available. Please contact Community Engagement at 214-749-2721, 48 hours in advance.



Agenda Report

PINK SHEET

Attachments: 1. HB 3187 (Shaheen) 2. SB 1557 (Paxton, Hagenbuch, Parker)	Voting Requirement: Majority
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DATE: March 21, 2025

SUBJECT: Approval of DART Commitment to Local Resolution of City Requests to Establish a General Mobility Program

BOARD ACTION

Approval of a resolution to demonstrate DART’s commitment to local resolution of City Requests.

PURPOSE

- On February 28, 2025, the Board conducted a workshop to review various items, one of which was Impacts of Proposed Legislation Amending Transportation Code §452, specifically HB 3187 (Shaheen; Attachment 1) and SB 1557 (Paxton, Hagenbuch, Parker; Attachment 2).
- The proposed legislation has the potential to redirect up to 25% of DART sales tax revenue to all cities for general mobility purposes, as well as other changes that could impact DART and its ability to operate and maintain its public transportation system.
- During the workshop the Board discussed options to resolve issues locally, including the development of a new General Mobility Program that would include policy guidelines and an allocation methodology to address equity concerns of certain cities and support local mobility objectives.
- During the March 11, 2025, Committee-of-the-Whole meeting, the Board reviewed and discussed draft resolution language related to establishing a General Mobility Program.
- On March 13, 2025, the North Central Texas Council of Governments (NCTCOG) Regional Transportation Council (RTC) approved an item to initiate a local partnership discussion/mediation process to resolve the matter between the service area cities and DART. The RTC voted to not oppose the legislation affecting DART funding pending feedback from the mediation process.
- On March 14, 2025, the first meeting of the local mediation process was held. Participants included the following: DART Board – Chair Gary Slagel, Administration Committee Chair

Mark Enoch, and Communications Committee Chair Randall Bryant; DART Staff – Nadine Lee; City of Irving – Mayor Rick Stopfer; City of Carrollton – Mayor Steve Babick; City of Plano – Mayor John Muns (could not attend due to conflict and was represented by staff Andrew Fortune); City of Dallas – District 6 Councilmember and Council Transportation and Infrastructure Committee Chair Omar Narvaez; RTC Chair Clay Jenkins; and NCTCOG Director of Transportation Michael Morris.

- The purpose of this item is to update the Board on the first meeting of the mediation process, review and discuss comments received on the draft resolution during the March 11, 2025, DART meeting, recommend appropriate changes to the draft resolution, and consider action to approve the resolution.
- Approval of the resolution would demonstrate a commitment to address city issues at the local level by establishing a new General Mobility Program and providing direction to staff on how to advance actions necessary to implement the program.
- Discussion of this item will help achieve Agency Strategic Goal 6: Strategic Relationships - Position DART as a collaborative leader and recognized regional economic and mobility asset.

LEGAL CONSIDERATIONS

Section 452.507 of the Texas Transportation Code states that an action of the executive committee requires a vote of a majority of the members present unless the bylaws require a larger number.

Section 452.054 of the Texas Transportation Code authorizes DART to exercise all powers necessary or convenient to carry out the purposes or provisions of the statute.

The Board Bylaws, Article III, Section 14 state the Board may act upon the affirmative vote of a majority of the members present at a meeting at which a quorum is present, except as otherwise provided in the Transportation Code. Regarding any action of the Board that, pursuant to the Code, DART Bylaws, or other Board policies or resolutions, requires a two-thirds vote of the Board, said action may be taken by an affirmative vote of two-thirds of the number of appointed and qualified members of the Board.

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By: Shaheen

H.B. No. 3187

A BILL TO BE ENTITLED
AN ACT

relating to powers of regional transportation authorities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter E, Chapter 452, Transportation Code, is amended by adding Section 452.204 to read as follows:

Sec. 452.204. GENERAL MOBILITY PROGRAM. (a) Each municipality in an authority consisting of one subregion governed by a subregional board created under Subchapter O shall enter into an agreement with the subregional board under which up to 25 percent of the sales and use tax imposed by the authority in that municipality may be used by that municipality for a general mobility program that includes:

(1) constructing and maintaining sidewalks, hiking trails, and biking trails, highways and local and arterial streets, thoroughfares, and other roads, including bridges and grade separations;

(2) installing, operating, and maintaining streetlights and traffic control improvements, including traffic signals; or

(3) making drainage improvements and taking drainage-related measures as reasonable and necessary for the effective use of the transportation facility being installed, constructed, operated, or maintained under Subdivision (1) or (2).

(b) Under an agreement entered into under Subsection (a), a municipality shall annually provide to the subregional board a list of projects the municipality intends to fund through the program.

(c) Of the sales and use tax available to a municipality through the general mobility program each year:

(1) 50 percent shall be made available to the municipality on the first day of the authority's fiscal year; and

(2) 50 percent shall be made available to the municipality on a reimbursement basis before the end of the authority's fiscal year.

(d) Any money made available to a municipality under Subsection (c) that is unused by the municipality in the period described by that subsection must be used by the authority to pay down any outstanding debt that is secured by a sales and use tax rate imposed at a rate of one percent. A payment made under this subsection is in addition to any annual debt payment required of the authority.

SECTION 2. Section 452.357(a), Transportation Code, is amended to read as follows:

(a) To secure the payment of an authority's bonds, the authority may:

(1) pledge not more than 75 percent ~~[all or part]~~ of revenue realized from any tax that the authority may impose;

(2) pledge any part of the revenue of the public transportation system;

(3) mortgage any part of the public transportation system, including any part of the system subsequently acquired;

(4) pledge all or part of funds the federal government has committed to the authority as grants in aid; and

(5) provide that a pledge of revenue described by Subdivision (1) or (2) is a first lien or charge against that revenue.

SECTION 3. Section 452.358, Transportation Code, is amended to read as follows:

Sec. 452.358. USE OF REVENUE. Revenue in excess of amounts

pledged under Section 452.357(a)(1) or (2) shall be used to:

(1) pay the expenses of operation and maintenance of a public transportation system, including salaries, labor, materials, and repairs necessary to provide efficient service and every other proper item of expense; ~~and~~

(2) fund operating reserves; and

(3) fund a general mobility program established under Section 452.204.

SECTION 4. Section 452.401(a), Transportation Code, is amended to read as follows:

(a) The executive committee may impose for an authority a sales and use tax at the rate of:

(1) one-quarter of one percent;

(2) one-half of one percent; or

(3) three-quarters of one percent ~~[; or~~

~~[(4) one percent].~~

SECTION 5. Section 452.651(c), Transportation Code, is amended to read as follows:

(c) An election to withdraw may not be ordered, and a petition for an election to withdraw may not be accepted for filing, more frequently than once during each period of 12 months preceding the anniversary of the date of the election confirming the authority. If the unit of election is located in an authority consisting of one subregion governed by a subregional board created under Subchapter O, an election for withdrawal of the unit of election under this section may not be ordered, and a petition for withdrawal may not be accepted, more frequently than once during 1996 and during each third ~~[sixth]~~ calendar year after that year.

SECTION 6. Subchapter Q, Chapter 452, Transportation Code, is amended by adding Section 452.6545 to read as follows:

Sec. 452.6545. EFFECT OF NOTICE OF ELECTION ON CERTAIN AUTHORITY TO ISSUE OBLIGATIONS. Notwithstanding Subchapter H, on receipt by the executive committee of the authority of a notice provided under Section 452.655(c), the authority may not issue notes, bonds, or other obligations if the issuance would cause the financial obligation of the unit of election under Section 452.659(a) to accrue because the amount in Section 452.659(b)(3) would increase. This limitation on issuance continues until:

(1) the effective date of the withdrawal of the unit of election from the authority, if after an election held under Section 452.655 less than a majority of the votes received on the measure in the election favor the proposition; or

(2) the day after the date of the canvass of an election held under Section 452.655, if a majority of the votes received on the measure in the election favor the proposition.

SECTION 7. Section 452.658(a), Transportation Code, is amended to read as follows:

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

(1) at which the tax was imposed; or

(2) of one-half of one percent if:

(A) the tax was imposed at the rate of one percent; and

(B) the governing body of the withdrawn unit of election approves the collection of the tax at the lower rate.

SECTION 8. (a) Sections 452.357(a) and 452.401(a), Transportation Code, as amended by this Act, do not apply to the imposition of a sales and use tax in a regional transportation authority that, before the effective date of this Act, has pledged the revenue from the tax imposed at the rate of one percent as security for bonds issued by the authority. The imposition of a

sales and use tax in a regional transportation authority that has pledged the revenue from the tax imposed at the rate of one percent as security for bonds issued by the authority before the effective date of this Act is governed by the law in effect when the revenue was pledged, and that law is continued in effect for that purpose.

(b) The executive committee of a regional transportation authority may, under Section 452.405, Transportation Code, order the decrease in the rate at which a sales and use tax is collected in an authority described by Subsection (a) of this section only after:

(1) all of the bonds and interest on the bonds that are payable from or secured by a sales and use tax imposed at the rate of one percent have been paid by the issuer of the bonds or another person with the consent or approval of the issuer; or

(2) a sufficient amount for the payment of all bonds and interest on the bonds to maturity has been set aside by the issuer of the bonds or another person with the consent or approval of the issuer in a trust fund held for the benefit of the bondholders.

SECTION 9. This Act takes effect September 1, 2025.

By: Paxton, Hagenbuch, Parker

S.B. No. 1557

A BILL TO BE ENTITLED

AN ACT

1
2 relating to powers of regional transportation authorities.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

4 SECTION 1. Subchapter E, Chapter 452, Transportation Code,
5 is amended by adding Section 452.204 to read as follows:

6 Sec. 452.204. GENERAL MOBILITY PROGRAM. (a) Each
7 municipality in an authority consisting of one subregion governed
8 by a subregional board created under Subchapter O shall enter into
9 an agreement with the subregional board under which up to 25 percent
10 of the sales and use tax imposed by the authority in that
11 municipality may be used by that municipality for a general
12 mobility program that includes:

13 (1) constructing and maintaining sidewalks, hiking
14 trails, and biking trails, highways and local and arterial streets,
15 thoroughfares, and other roads, including bridges and grade
16 separations;

17 (2) installing, operating, and maintaining
18 streetlights and traffic control improvements, including traffic
19 signals; or

20 (3) making drainage improvements and taking
21 drainage-related measures as reasonable and necessary for the
22 effective use of the transportation facility being installed,
23 constructed, operated, or maintained under Subdivision (1) or (2).

24 (b) Under an agreement entered into under Subsection (a), a

S.B. No. 1557

1 municipality shall annually provide to the subregional board a list
2 of projects the municipality intends to fund through the program.

3 (c) Of the sales and use tax available to a municipality
4 through the general mobility program each year:

5 (1) 50 percent shall be made available to the
6 municipality on the first day of the authority's fiscal year; and

7 (2) 50 percent shall be made available to the
8 municipality on a reimbursement basis before the end of the
9 authority's fiscal year.

10 (d) Any money made available to a municipality under
11 Subsection (c) that is unused by the municipality in the period
12 described by that subsection must be used by the authority to pay
13 down any outstanding debt that is secured by a sales and use tax
14 rate imposed at a rate of one percent. A payment made under this
15 subsection is in addition to any annual debt payment required of the
16 authority.

17 SECTION 2. Section 452.357(a), Transportation Code, is
18 amended to read as follows:

19 (a) To secure the payment of an authority's bonds, the
20 authority may:

21 (1) pledge not more than 75 percent ~~[all or part]~~ of
22 revenue realized from any tax that the authority may impose;

23 (2) pledge any part of the revenue of the public
24 transportation system;

25 (3) mortgage any part of the public transportation
26 system, including any part of the system subsequently acquired;

27 (4) pledge all or part of funds the federal government

S.B. No. 1557

1 has committed to the authority as grants in aid; and

2 (5) provide that a pledge of revenue described by
3 Subdivision (1) or (2) is a first lien or charge against that
4 revenue.

5 SECTION 3. Section 452.358, Transportation Code, is amended
6 to read as follows:

7 Sec. 452.358. USE OF REVENUE. Revenue in excess of amounts
8 pledged under Section 452.357(a)(1) or (2) shall be used to:

9 (1) pay the expenses of operation and maintenance of a
10 public transportation system, including salaries, labor,
11 materials, and repairs necessary to provide efficient service and
12 every other proper item of expense; ~~and~~

13 (2) fund operating reserves; and

14 (3) fund a general mobility program established under
15 Section 452.204.

16 SECTION 4. Section 452.401(a), Transportation Code, is
17 amended to read as follows:

18 (a) The executive committee may impose for an authority a
19 sales and use tax at the rate of:

20 (1) one-quarter of one percent;

21 (2) one-half of one percent; or

22 (3) three-quarters of one percent ~~[, or~~

23 ~~[(4) one percent]~~.

24 SECTION 5. Section 452.651(c), Transportation Code, is
25 amended to read as follows:

26 (c) An election to withdraw may not be ordered, and a
27 petition for an election to withdraw may not be accepted for filing,

S.B. No. 1557

1 more frequently than once during each period of 12 months preceding
2 the anniversary of the date of the election confirming the
3 authority. If the unit of election is located in an authority
4 consisting of one subregion governed by a subregional board created
5 under Subchapter O, an election for withdrawal of the unit of
6 election under this section may not be ordered, and a petition for
7 withdrawal may not be accepted, more frequently than once during
8 1996 and during each third [~~sixth~~] calendar year after that year.

9 SECTION 6. Subchapter Q, Chapter 452, Transportation Code,
10 is amended by adding Section 452.6545 to read as follows:

11 Sec. 452.6545. EFFECT OF NOTICE OF ELECTION ON CERTAIN
12 AUTHORITY TO ISSUE OBLIGATIONS. Notwithstanding Subchapter H, on
13 receipt by the executive committee of the authority of a notice
14 provided under Section 452.655(c), the authority may not issue
15 notes, bonds, or other obligations if the issuance would cause the
16 financial obligation of the unit of election under Section
17 452.659(a) to accrue because the amount in Section 452.659(b)(3)
18 would increase. This limitation on issuance continues until:

19 (1) the effective date of the withdrawal of the unit of
20 election from the authority, if after an election held under
21 Section 452.655 less than a majority of the votes received on the
22 measure in the election favor the proposition; or

23 (2) the day after the date of the canvass of an
24 election held under Section 452.655, if a majority of the votes
25 received on the measure in the election favor the proposition.

26 SECTION 7. Section 452.658(a), Transportation Code, is
27 amended to read as follows:

S.B. No. 1557

1 (a) Until the amount of revenue from an authority's sales
2 and use tax collected in a withdrawn unit of election after the
3 effective date of withdrawal and paid to the authority equals the
4 total financial obligation of the unit, the sales and use tax
5 continues to be collected in the territory of the election unit at
6 the rate:

7 (1) at which the tax was imposed; or

8 (2) of one-half of one percent if:

9 (A) the tax was imposed at the rate of one
10 percent; and

11 (B) the governing body of the withdrawn unit of
12 election approves the collection of the tax at the lower rate.

13 SECTION 8. (a) Sections 452.357(a) and 452.401(a),
14 Transportation Code, as amended by this Act, do not apply to the
15 imposition of a sales and use tax in a regional transportation
16 authority that, before the effective date of this Act, has pledged
17 the revenue from the tax imposed at the rate of one percent as
18 security for bonds issued by the authority. The imposition of a
19 sales and use tax in a regional transportation authority that has
20 pledged the revenue from the tax imposed at the rate of one percent
21 as security for bonds issued by the authority before the effective
22 date of this Act is governed by the law in effect when the revenue
23 was pledged, and that law is continued in effect for that purpose.

24 (b) The executive committee of a regional transportation
25 authority may, under Section 452.405, Transportation Code, order
26 the decrease in the rate at which a sales and use tax is collected in
27 an authority described by Subsection (a) of this section only

S.B. No. 1557

1 after:

2 (1) all of the bonds and interest on the bonds that are
3 payable from or secured by a sales and use tax imposed at the rate of
4 one percent have been paid by the issuer of the bonds or another
5 person with the consent or approval of the issuer; or

6 (2) a sufficient amount for the payment of all bonds
7 and interest on the bonds to maturity has been set aside by the
8 issuer of the bonds or another person with the consent or approval
9 of the issuer in a trust fund held for the benefit of the
10 bondholders.

11 SECTION 9. This Act takes effect September 1, 2025.

DRAFT

RESOLUTION

of the

DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

Approval of DART Commitment to Local Resolution of City Requests to Establish a General Mobility Program

WHEREAS, Dallas Area Rapid Transit (DART) was created in 1983 by a majority of voters who voted to tax themselves with a one percent sales and use tax to plan, build, operate and maintain a regional multimodal public transportation system within a 13-city 700 square mile service area; and

WHEREAS, in September 2000, voters within the 13-city DART Service Area overwhelmingly approved a referendum to pledge the one percent sales tax collections to support issuance of bonds to upgrade and accelerate expansion of the transit network; and

WHEREAS, the DART system has evolved and grown based on these actions and consists of a 93-mile light rail system with 65 stations, more than 80 regional and local bus routes and shuttles, 31 microtransit zones covering 308 square miles, paratransit services, joint operations of the 34-mile Trinity Railway Express with Trinity Metro, and the future 26-mile Silver Line scheduled to open in late 2025; and

WHEREAS, since 1999, the University of North Texas Economics Research Group has undertaken a series of economic impact studies to document transit-oriented development near DART stations, with the latest 2023 study documenting development value of \$17.1 billion between 1999 and 2021; and

WHEREAS, DART provides essential regional and local public transit services that enhance mobility within communities and connect the residents of the service area and the broader North Texas region, enabling access to employment, education, healthcare, and recreational opportunities; and

WHEREAS, in September 2024, Ernst & Young Infrastructure Advisors LLP (EY) completed an independent study directed by the 13 service area cities that found that FY 2023 sales tax collections within seven cities was greater than the FY 2023 allocation of operating, capital depreciation, and interest expenses within their cities; and

WHEREAS, EY noted that the FY 2023 allocation results represent a “snapshot in time,” do not reflect the Silver Line completion in FY 2026 or other light rail assets set to be fully depreciated

in FY 2027, and also that DART could potentially capture other measures of value through supplemental analysis to better inform future cost allocation analyses; and

WHEREAS, DART has previously provided funds to cities and implemented general mobility programs to give its cities the most benefit possible from sales tax collections or to address equity concerns related to the types of services available within cities; and

WHEREAS, the Board desires to address concerns of the seven cities identified in the FY 2023 EY study by establishing a General Mobility Program starting in FY 2026 that would set aside the equivalent of 5% of annual sales tax collections to be allocated as an equity adjustment to the seven eligible cities and that future eligible cities be identified through an updated methodology that captures other measures of value, to be approved by the Board; and

WHEREAS, inclusion of a new General Mobility Program equivalent to 5% of annual sales tax collections will require external funding contributions and/or reallocation of funding from other services or programs as part of the FY 2026 annual budget and 20-year financial plan development; and

WHEREAS, DART supports the principles of the North Central Texas Council of Governments Transit 2.0 Study and acknowledges the efforts towards providing a strategic review of transit solutions along with partnership discussions to ensure we are meeting the mobility needs of the region long-term.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that:

- Section 1: DART will establish a General Mobility Program to be funded by the equivalent of 5% of annual sales tax collections for use by eligible cities as an equity adjustment to support local mobility needs consistent with Chapter 452.
- Section 2: Staff is directed to develop the General Mobility Program and bring forward policy guidelines and a plan to update the allocation methodology to account for items including but not limited to the Silver Line completion in FY 2026 for use in defining eligible cities for FY 2027.
- Section 3. The FY 2026 allocation amount will be equal to 5% of the FY 2024 actual sales tax collections, which is \$42.59 million as shown in Exhibit 1. The FY 2026 allocation to the seven eligible cities identified in the FY 2023 EY study will be based on their proportion of the difference between sales tax collections and cost allocations, where the allocation for any one city will not exceed 25% of the FY 2024 sales tax collected within their city.
- Section 4: Staff is directed to develop a proposal for FY 2026 budget reallocations to fund the program, and to bring to the Board a request to call a public hearing on any identified service reductions by May 2025 that will generate funding towards FY 2026 allocations and that will fully fund the program in FY 2027.

- Section 5: DART will execute with each of the eligible Service Area cities an Interlocal Agreement for public transportation system or complementary transportation service purposes consistent with Chapter 452 of the Texas Transportation Code, and subject to legal review and compliance by each city with the requirements of the Interlocal Agreement, by September 30, 2025, for the FY 2026 allocation amount with the projected FY 2027 amount to be determined pending the updated allocation methodology approved by the Board.
- Section 6: The General Mobility Program will be established for a term of two years and the Board will consider program modification and/or renewal after the initial term.
- Section 7: Any unallocated funds for FY 2026 and FY 2027 will be transferred to the Mobility Assistance and Innovation Fund or its successor program in accordance with the conditions of an Interlocal Agreement.
- Section 8: The Board desires that Regional Transportation Council funding be pursued to reduce DART budget impacts to accommodate a new program and that a strategy for revenue replacement be developed with the assistance of local, regional and state stakeholders.
- Section 9: DART will enhance economic development opportunities that benefit DART and its cities, including development of a template interlocal agreement for Board consideration no later than May 2025 that establishes parameters for DART's automatic contribution to Tax Increment Reinvestment Zones using sales tax increment. DART staff will also develop an economic development policy that addresses DART's economic development goals and priorities.
- Section 10: DART will continue to advance efforts to support implementation of service area city local service requests as part of the FY 2026 budget development.
- Section 11: DART will review and amend policies that limit participation of non-service area cities with DART.
- Section 12: DART supports the principles of the North Central Texas Council of Governments Transit 2.0 Study along with continuing partnership discussions to advance local solutions that ensure transit plays a strong role in meeting the long-term mobility needs of the region.

**Approval of DART Commitment to Local Resolution of City Requests to Establish a
General Mobility Program**

M. Nathan Barbera
Secretary

Gary Slagel
Chair

APPROVED AS TO FORM:

ATTEST:

Gene Gamez
General Counsel

Nadine S. Lee
President & Chief Executive Officer

Date

FY 2026 General Mobility Program Estimated Allocations (\$M) based on FY 2023 EY Study and 5% of FY 2024 Actual Sales Tax

City	Total Cost Allocation FY23 (EY)	FY23 Sales tax contribution (EY)	Over/ (Under) (EY)	Share of Total Over	Proportional Revenue Share	25% of FY24 sales tax (maximum amount)	Allocation for FY26
Addison	\$9.5	\$16.3	\$6.8	6.7%	\$2.85	\$4.18	\$2.85
Carrollton	\$37.3	\$48.3	\$11	10.8%	\$4.62	\$11.91	\$4.62
Cockrell Hill	\$2.8	\$0.6	\$(2.2)				
Dallas	\$690.5	\$407.8	\$(282.7)				
Farmers Branch	\$20.8	\$24.3	\$3.5	3.4%	\$1.47	\$5.88	\$1.47
Garland	\$62.7	\$45.2	\$(17.5)				
Glenn Heights	\$1.5	\$1.1	\$(0.4)				
Highland Park	\$1.9	\$6.3	\$4.4	4.3%	\$1.85	\$2.11	\$1.85
Irving	\$123.5	\$102.2	\$(21.3)				
Plano	\$44.6	\$109.6	\$65	64.0%	\$27.27	\$28.99	\$27.27
Richardson	\$50.7	\$56.9	\$6.2	6.1%	\$2.60	\$12.99	\$2.60
Rowlett	\$16.1	\$9.2	\$(6.9)				
University Park	\$1.8	\$6.4	\$4.6	4.5%	\$1.93	\$1.71	\$1.71
TOTAL	\$1,063.7	\$834.2					
		Total Over Contribution	\$101.5	General Mobility 5%	\$42.59		\$42.37
				FY24 sales tax	\$851.78		
				Amount to MAIF			\$0.22

NOTES:

- DART cannot generate all FY 2026 funding until any service reductions go into effect after required public hearings. Proposed FY 2026 funding could be combination of MAIF balance, RTC contribution, and partially realized savings from DART. The timing of any service reductions should consider transit availability during the FIFA World Cup in July 2026.
- DART reductions would be planned to ensure full coverage of 5% of FY 2025 actual sales tax for FY 2027 allocation.
- Implementation of the general mobility fund allocation in Exhibit 1 assumes the collection of the full one cent of voter approved sales and use tax for the term of the program.



Agenda Report

Attachments: 1. Senate Bill 2118, as filed 2. Sections of Senate Bill 2118 for discussion 3. House Bill 5049 4. Sections of 452 proposed to be repealed	Voting Requirement: Majority
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DATE: **March 21, 2025**

SUBJECT: **Approval of a Resolution for Legislative Priorities on Governance for the 89th Session of the Texas Legislature**

BOARD ACTION

Approval of a resolution to adopt DART’s legislative priorities on governance as shown in Exhibit 1 to the Resolution.

PURPOSE

- On October 22, 2024 (Resolution No. 240127), the Board approved DART’s legislative priorities for the 89th Session of the Texas Legislature.
- The 89th Texas Legislature is in session, and Senate Bill 2118 (Attachment 1) was filed on March 10, 2025, related to the governance of DART. An identical companion bill, House Bill 5049 was filed March 13, 2025.
- On March 7, 2025, prior to Bill filing, DART convened a small working group of four city managers (Dallas, Farmers Branch, Irving, and University Park) to discuss governance and provide input on potential opportunities to address concerns identified by some cities.
- During the March 11, 2025, Committee-of-the-Whole meeting the Board reviewed the Bill and its potential impact on DART’s governance.
- On March 13, 2025, the North Central Texas Council of Governments (NCTCOG) Regional Transportation Council (RTC) approved an item to initiate a local partnership discussion/mediation process to resolve the matter between the cities and DART. The RTC voted to not oppose the legislation affecting DART funding pending feedback from the mediation process.

- On March 14, 2025, the first meeting of the local mediation process was held. Participants included the following: DART Board – Chair Gary Slagel, Administration Committee Chair Mark Enoch, and Communications Committee Chair Randall Bryant; DART Staff – Nadine Lee; City of Irving – Mayor Rick Stopfer; City of Carrollton – Mayor Steve Babick; City of Plano – Mayor John Muns (could not attend due to conflict and was represented by staff Andrew Fortune); City of Dallas – District 6 Councilmember and Council Transportation and Infrastructure Committee Chair Omar Narvaez; RTC Chair Clay Jenkins; and NCTCOG Director of Transportation Michael Morris.
- The purpose of this item is to provide input to the mediation process and city leadership on each of the proposed changes.
- The Board will discuss each of the proposed changes to DART’s legislation to determine whether to support, amend, oppose, or defer taking a position on the different sections of the Bill. Attachment 2 provides a breakdown of Senate Bill 2118 by section to facilitate this discussion. Attachment 3 shows the language of the six sections Senate Bill 2118 will repeal.
- Discussion of this item will help achieve Agency Strategic Goal 6: Strategic Relationships - Position DART as a collaborative leader and recognized regional economic and mobility asset.

LEGAL CONSIDERATIONS

Section 452.054 of the Texas Transportation Code authorizes DART to exercise all powers necessary or convenient to carry out the purposes or provisions of the statute.

By: Tan Parker

S.B. No. 2118

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the composition and authority of certain subregional
3 boards of regional transportation authorities.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 452.112, Transportation Code, is amended
6 by adding Subsection (a-1) to read as follows:

7 (a-1) Each member of the subregional board shall appoint an
8 equal number of members to the committee.

9 SECTION 2. Section 452.543(a), Transportation Code, is
10 amended to read as follows:

11 (a) Except as provided by Section 452.5725(a), a [A]
12 subregional board shall elect from its membership a presiding
13 officer, assistant presiding officer, and secretary.

14 SECTION 3. Section 452.572, Transportation Code, is amended
15 to read as follows:

16 Sec. 452.572. BOARD MEMBERSHIP; MUNICIPAL REPRESENTATION.

17 (a) The subregional board is composed of one member [~~15 members~~]
18 appointed by the governing body [~~bodies~~] of each municipality [~~the~~
19 ~~municipalities~~] in the subregional authority.

20 (b) The member appointed by the governing body of the
21 principal [a] municipality is entitled to [~~appoint more than one~~
22 ~~board member may appoint a number of members less than the number~~
23 ~~allocated to the municipality. Those appointed members may~~] cast
24 three [~~the same number of~~] votes [~~as the number of members~~

1 ~~allocated, but a member may not cast a divided vote].~~

2 SECTION 4. Subchapter O, Chapter 452, Transportation Code,
3 is amended by adding Section 452.5725 to read as follows:

4 Sec. 452.5725. PRESIDING OFFICER. (a) The position of
5 presiding officer of a subregional board rotates among the members
6 of the board in an order established by the board. A term as
7 presiding officer is two years.

8 (b) A member of the subregional board may not serve
9 consecutive terms as presiding officer.

10 SECTION 5. Section 452.578(a), Transportation Code, is
11 amended to read as follows:

12 (a) Members [~~Each member~~] of the subregional board serve for
13 [~~serves a~~] staggered terms [~~term~~] of two years, with the terms of
14 one-half of the members, or as near to one-half as possible,
15 expiring [~~. Eight of the terms begin~~] on July 1 of each year
16 [~~odd-numbered years, and seven terms begin on July 1 of~~
17 ~~even-numbered years~~].

18 SECTION 6. The following provisions of the Transportation
19 Code are repealed:

- 20 (1) Section 452.573;
- 21 (2) Section 452.574(c);
- 22 (3) Section 452.575;
- 23 (4) Section 452.576;
- 24 (5) Section 452.577; and
- 25 (6) Section 452.578(b).

26 SECTION 7. (a) On the effective date of this Act, the terms
27 of office of the members of a subregional board described by

1 Subchapter O, Chapter 452, Transportation Code, as that subchapter
2 existed immediately before the effective date of this Act, expire.

3 (b) As soon as practicable after the effective date of this
4 Act, the appropriate appointing entity shall appoint the members of
5 a subregional board under Section 452.572, Transportation Code, as
6 amended by this Act.

7 (c) As soon as practicable after the members of a
8 subregional board have been appointed under Section 452.572,
9 Transportation Code, as amended by this Act, the board members
10 shall draw lots to determine which board members serve terms
11 expiring July 1, 2026, and which board members serve terms expiring
12 July 1, 2027.

13 SECTION 8. This Act takes effect September 1, 2025.

Sections of SB 2118, for Discussion

- **Subregional Board Committees**
 - SECTION 1
 - Section 452.112, Transportation Code, is amended by adding Subsection (a-1) to read as follows: (a-1) Each member of the subregional board shall appoint an equal number of members to the committee.
- **Support, Amend, Oppose, or Defer?**

- **Board Composition and Voting Strength**
 - SECTION 2
 - Section 452.543(a), Transportation Code, is amended to read as follows:(a) Except as provided by Section 452.5725(a), a [A] subregional board shall elect from its membership a presiding officer, assistant presiding officer, and secretary.
 - SECTION 3
 - Section 452.572, Transportation Code. BOARD MEMBERSHIP; MUNICIPAL REPRESENTATION.

(a) The subregional board is composed of one member [~~15 members~~] appointed by the governing body [~~bodies~~] of each municipality [~~the municipalities~~] in the subregional authority.

(b) The member appointed by the governing body of the principal [a] municipality is entitled to [~~appoint more than one board member may appoint a number of members less than the number allocated to the municipality. Those appointed members may~~] cast three [~~the same number of~~] votes [~~as the number of members allocated, but a member may not cast a divided vote~~].
 - SECTION 5.
 - Section 452.578(a), Transportation Code, is amended to read as follows:

(a) Members [~~Each member~~] of the subregional board serve for [~~serves a~~] staggered terms [~~term~~] of two years, with the terms of one-half of the members, or as near to one-half as possible, expiring [~~Eight of the terms begin~~] on July 1 of each year [~~odd numbered years, and seven terms begin on June 1 of even numbered years~~].
- **Support, Amend, Oppose, or Defer?**

- **Presiding Officer**
 - Section 4.
 - Subchapter O, Chapter 452, Transportation Code, is amended by adding Section 452.5725 to read as follows:
Sec. 452.5725. PRESIDING OFFICER. (a) The position of presiding officer of a subregional board rotates among the members of the board in an order established by the board. A term as presiding officer is two years. (b) A member of the subregional board may not serve consecutive terms as presiding officer.
- **Support, Amend, Oppose, or Defer?**

- Section 6: (**Repeal of 6 Sections**) (shown on Attachment 3)
 - The following provisions of the Transportation Code are repealed:
 - (1) Section 452.573;
 - (2) Section 452.574(c);
 - (3) Section 452.575;
 - (4) Section 452.576;
 - (5) Section 452.577; and
 - (6) Section 452.578(b).
- **Support, Amend, Oppose, or Defer?**

- **Other Proposals**
 - Term Limits
 - Fiduciary Responsibility
 - Concurrent Service of Appointing Municipality

89R15520 JAM-D

By: Shaheen

H.B. No. 5049

A BILL TO BE ENTITLED
AN ACT

relating to the composition and authority of certain subregional boards of regional transportation authorities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 452.112, Transportation Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) Each member of the subregional board shall appoint an equal number of members to the committee.

SECTION 2. Section 452.543(a), Transportation Code, is amended to read as follows:

(a) Except as provided by Section 452.5725(a), a [A] subregional board shall elect from its membership a presiding officer, assistant presiding officer, and secretary.

SECTION 3. Section 452.572, Transportation Code, is amended to read as follows:

Sec. 452.572. BOARD MEMBERSHIP; MUNICIPAL REPRESENTATION.

(a) The subregional board is composed of one member [~~15 members~~] appointed by the governing body [~~bodies~~] of each municipality [~~the municipalities~~] in the subregional authority.

(b) The member appointed by the governing body of the principal [a] municipality is entitled to [~~appoint more than one board member may appoint a number of members less than the number allocated to the municipality. Those appointed members may~~] cast three [~~the same number of~~] votes [~~as the number of members allocated, but a member may not cast a divided vote~~].

SECTION 4. Subchapter O, Chapter 452, Transportation Code, is amended by adding Section 452.5725 to read as follows:

Sec. 452.5725. PRESIDING OFFICER. (a) The position of presiding officer of a subregional board rotates among the members of the board in an order established by the board. A term as presiding officer is two years.

(b) A member of the subregional board may not serve consecutive terms as presiding officer.

SECTION 5. Section 452.578(a), Transportation Code, is amended to read as follows:

(a) Members [~~Each member~~] of the subregional board serve for [~~serves a~~] staggered terms [~~term~~] of two years, with the terms of one-half of the members, or as near to one-half as possible, expiring [~~. Eight of the terms begin~~] on July 1 of each year [~~odd numbered years, and seven terms begin on July 1 of even numbered years~~].

SECTION 6. The following provisions of the Transportation Code are repealed:

- (1) Section 452.573;
- (2) Section 452.574(c);
- (3) Section 452.575;
- (4) Section 452.576;
- (5) Section 452.577; and
- (6) Section 452.578(b).

SECTION 7. (a) On the effective date of this Act, the terms of office of the members of a subregional board described by Subchapter O, Chapter 452, Transportation Code, as that subchapter existed immediately before the effective date of this Act, expire.

(b) As soon as practicable after the effective date of this Act, the appropriate appointing entity shall appoint the members of a subregional board under Section 452.572, Transportation Code, as amended by this Act.

(c) As soon as practicable after the members of a

subregional board have been appointed under Section 452.572, Transportation Code, as amended by this Act, the board members shall draw lots to determine which board members serve terms expiring July 1, 2026, and which board members serve terms expiring July 1, 2027.

SECTION 8. This Act takes effect September 1, 2025.

Sections of Legislation Proposed to be Repealed

Sec. 452.573. ALLOCATION OF MEMBERSHIP AMONG MUNICIPALITIES. (a) A governing body of a municipality in a subregion may make appointments to the subregional board in the same ratio as the population of the appointing municipality bears to the population of the subregion.

(b) A municipality the population of which entitles it to make a fraction of an appointment may combine that fraction with one or more other municipalities in the subregion to be entitled to make one appointment.

(c) Municipalities combining population under Subsection (b) must agree on the method of making the appointment.

(d) A municipality may not combine its population with another municipality for the purpose of minimizing the representation on the board of a racial or ethnic minority.

(e) A combination under Subsection (b) of two or more municipalities having insufficient population to receive an allocation of one membership must be made before the 61st day after the date for establishing or restructuring a board under Section [452.577](#).

Sec. 452.574. BOARD MEMBERSHIP: ELIGIBILITY. (c) The principal municipality shall make its appointments to the board so that at least one of the appointees is designated to represent the interests of the transportation disadvantaged.

Sec. 452.575. APPOINTMENTS TO REFLECT COMPOSITION OF MUNICIPALITY. The governing body of a municipality that makes more than one appointment shall, to the greatest extent practicable, select persons who accurately reflect the racial and ethnic composition of the municipality.

Sec. 452.576. MAXIMUM MUNICIPAL MEMBERSHIP ENTITLEMENT; REALLOCATION. (a) A municipality may not make more than 65 percent of the appointments to the subregional board.

(b) If the number of appointments to which a municipality would be entitled under Section [452.573](#) exceeds the limitation provided by Subsection (a), the excess is apportioned according to that section among the other municipalities in the subregion.

Sec. 452.577. REAPPORTIONMENT. As needed because of the withdrawal or addition of a municipality or unincorporated area, population changes, or changes in combinations established under Section [452.573](#)(b), the board of a subregional authority shall be restructured under Section [452.573](#)(a):

(1) each fifth year as of September 1 after the date that the census data or population estimates become available; or

(2) when a municipality or unincorporated area withdraws from or joins the authority.

Sec. 452.578. TERMS OF BOARD MEMBERS. (b) The term of a member does not end because of a reapportionment under Section [452.577](#), and the board shall have a plan for filling vacancies after a reapportionment to ensure that each municipality maintains the representation to which it is entitled.

DRAFT
RESOLUTION
of the
DALLAS AREA RAPID TRANSIT BOARD
(Executive Committee)

Approval of a Resolution for Legislative Priorities on Governance for the 89th Session of the Texas Legislature

WHEREAS, on October 22, 2024 (Resolution No. 240127), the Board approved DART's legislative priorities for the 89th Session of the Texas Legislature; and

WHEREAS, the 89th Texas Legislature is in session, and Senate Bill 2118 and House Bill 5049 have been filed related to the governance of DART; and

WHEREAS, the Board has been briefed on the Bills and their potential impact on DART's governance; and

WHEREAS, on March 7, 2025, DART convened a small working group of four city managers (Dallas, Farmers Branch, Irving, and University Park) to discuss governance and provide input on potential opportunities to address concerns identified by some cities; and

WHEREAS, during the March 11, 2025, Committee-of-the-Whole meeting, the Board reviewed the Bills and their potential impact on DART's governance; and

WHEREAS, on March 13, 2025, the North Central Texas Council of Governments (NCTCOG) Regional Transportation Council (RTC) approved an item to initiate a local partnership discussion/mediation process to resolve the matter between the cities and DART. The RTC voted to not oppose the legislation affecting DART funding pending feedback from the mediation process; and

WHEREAS, the first meeting of the mediation process was held on March 14, 2025; and

WHEREAS, the Board desires to provide input to the to the mediation process and city leadership on DART's position to support, amend, oppose, or defer each section of the Bill.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the Board adopts legislative priorities on governance as shown in Exhibit 1 to this Resolution.

**Approval of a Resolution for Legislative Priorities on Governance for the 89th Session of
the Texas Legislature**

M. Nathan Barbera
Secretary

Gary Slagel
Chair

APPROVED AS TO FORM:

ATTEST:

Gene Gamez
General Counsel

Nadine S. Lee
President & Chief Executive Officer

Date

Sections of SB 2118, to be edited following March 20 Committee of the Whole Meeting

- **Subregional Board Committees**
 - Section 1
 - Section 452.112, Transportation Code, is amended by adding Subsection (a-1) to read as follows: (a-1) Each member of the subregional board shall appoint an equal number of members to the committee.
- **Support, Amend, Oppose, or Defer?**

- **Board Composition and Voting Strength**
 - Section 2
 - Section 452.543(a), Transportation Code, is amended to read as follows:(a) Except as provided by Section 452.5725(a), a [A] subregional board shall elect from its membership a presiding officer, assistant presiding officer, and secretary.
 - Section 3
 - Section 452.572, Transportation Code, Sec. 452.572. BOARD MEMBERSHIP; MUNICIPAL REPRESENTATION.

(a) The subregional board is composed of one member [~~15 members~~] appointed by the governing body [~~bodies~~] of each municipality [~~the municipalities~~] in the subregional authority.

(b) The member appointed by the governing body of the principal [a] municipality is entitled to [~~appoint more than one board member may appoint a number of members less than the number allocated to the municipality. Those appointed members may~~] cast three [~~the same number of~~] votes [~~as the number of members allocated, but a member may not cast a divided vote~~].
 - Section 5. Section 452.578(a), Transportation Code, is amended to read as follows: (a)Members [~~Each member~~] of the subregional board serve for [~~serves a~~] staggered terms [~~term~~] of two years, with the terms of one-half of the members, or as near to one-half as possible, expiring [~~. Eight of the terms begin~~] on July 1 of each year [~~odd-numbered years, and seven terms begin on July 1 of even-numbered years~~].
- **Support, Amend, Oppose, or Defer?**

- **Presiding Officer**
 - Section 4.
 - Subchapter O, Chapter 452, Transportation Code, is amended by adding Section 452.5725 to read as follows: Sec. 452.5725. PRESIDING OFFICER. (a) The position of presiding officer of a subregional board rotates among the members of the board in an order established by the board. A term as presiding officer is two years. (b) A member of the subregional board may not serve consecutive terms as presiding officer.
- **Support, Amend, Oppose, or Defer?**

- **Repeal of 6 Sections**
 - The following provisions of the Transportation Code are repealed:
 - (1) Section 452.573;
 - (2) Section 452.574(c);
 - (3) Section 452.575;
 - (4) Section 452.576;
 - (5) Section 452.577; and
 - (6) Section 452.578(b).
- **Support, Amend, Oppose, or Defer?**

- **Other Proposals**
 - Term Limits
 - Fiduciary Responsibility
 - Concurrent Service of Appointing Municipality