



1 C.

2 (6) Transportation infrastructure project--The planning  
3 for, construction of, reconstruction of, or maintenance of  
4 transportation infrastructure, including roads, bridges, and  
5 culverts, intended to alleviate degradation caused by the  
6 exploration, development, or production of oil or gas. The term  
7 includes the lease or rental of equipment used for road  
8 maintenance.

9 (7) Weight tolerance permit--A permit issued under  
10 Transportation Code, Chapter 623 authorizing a vehicle to exceed  
11 maximum legal weight limitations.

12 (8) Well completion--The completion, reentry, or  
13 recompletion of an oil or gas well as documented by the well  
14 operator's initial submission to the Railroad Commission of  
15 Texas of a report containing that information.

16

17 §15.182. Eligibility. To be eligible for a grant from the  
18 fund, a county must:

19 (1) be entirely or partially in an area affected by  
20 increased oil and gas production;

21 (2) create a county energy transportation reinvestment  
22 zone under Transportation Code, §222.1071; and

23 (3) create an advisory board under Transportation Code,

1 §222.1072 for the county energy transportation reinvestment  
2 zone.

3

4 §15.183. Matching Funds.

5 (a) Amount. To receive money from the fund a county must  
6 provide matching funds in an amount at least equal to:

7 (1) 20 percent of the amount of the grant; or

8 (2) if the county is an economically disadvantaged  
9 county, as defined in Transportation Code, §222.053, 10 percent  
10 of the amount of the grant.

11 (b) Cash match. The matching funds must be cash and may be  
12 from any source other than the department.

13

14 §15.184. Award.

15 (a) Mandatory award. The department will award a grant  
16 from the fund to each eligible county that submits a valid  
17 application in accordance with §15.188 of this subchapter  
18 (relating to Application Procedure).

19 (b) Amount. The department will determine the amount of  
20 the award in accordance with the allocations under §§15.185 and  
21 15.186 of this subchapter (relating to Allocation to Counties  
22 and Allocation of Excess, respectively) and will pay the amount  
23 as described by §15.192 of this subchapter (relating to Payment

1 of Money).

2

3 §15.185. Allocation to Counties.

4 (a) Allocation formula. Of the total amount awarded from  
5 the fund during a state fiscal year:

6 (1) 20 percent will be allocated under subsection (b) of  
7 this section according to the weight tolerance permits ratio;

8 (2) 20 percent will be allocated under subsection (c) of  
9 this section according to the oil and gas production taxes  
10 ratio;

11 (3) 50 percent will be allocated under subsection (d) of  
12 this section according to the well completion ratio; and

13 (4) 10 percent will be allocated under subsection (e) of  
14 this section according to the volume of oil and gas waste  
15 injected ratio.

16 (b) Weight tolerance permits ratio. The amount allocated  
17 to a county under subsection (a)(1) of this section in a fiscal  
18 year is determined by:

19 (1) dividing the weight tolerance permits issued in the  
20 preceding state fiscal year for that county, as determined by  
21 the Texas Department of Motor Vehicles, by the weight tolerance  
22 permits issued in the preceding state fiscal year for all  
23 counties that will receive money under subsection (a)(1) of this

1 section in that year; and

2 (2) multiplying the quotient determined under paragraph  
3 (1) of this subsection by the total amount allocated under  
4 subsection (a)(1) of this section.

5 (c) Oil and gas production taxes ratio. The amount  
6 allocated to a county under subsection (a)(2) of this section in  
7 a state fiscal year is determined by:

8 (1) dividing the amount of oil and gas production taxes  
9 collected by the Texas Comptroller of Public Accounts  
10 (comptroller) in that county in the preceding state fiscal year  
11 by the total amount of oil and gas production taxes collected by  
12 the comptroller in the preceding state fiscal year in all  
13 counties that will receive money under subsection (a)(2) of this  
14 section in that year; and

15 (2) multiplying the quotient determined under paragraph  
16 (1) of this subsection by the total amount allocated under  
17 subsection (a)(2) of this section.

18 (d) Well completion ratio. The amount allocated to a  
19 county under subsection (a)(3) of this section in a state fiscal  
20 year is determined by:

21 (1) dividing the number of well completions in that  
22 county in the preceding state fiscal year, as determined by the  
23 Railroad Commission of Texas, by the total number of well

1 completions in the preceding state fiscal year in all counties  
2 that will receive money under subsection (a)(3) of this section  
3 in that year; and

4 (2) multiplying the quotient determined under paragraph  
5 (1) of this subsection by the total amount allocated under  
6 subsection (a)(3) of this section.

7 (e) Oil and gas waste injected ratio. The amount allocated  
8 to a county under subsection (a)(4) of this section in a state  
9 fiscal year is determined by:

10 (1) dividing the volume of oil and gas waste injected in  
11 the preceding state fiscal year in that county, as determined by  
12 the Railroad Commission of Texas, by the total volume of oil and  
13 gas waste injected in the preceding state fiscal year in all  
14 counties that will receive money under subsection (a)(4) of this  
15 section in that year; and

16 (2) multiplying the quotient determined under paragraph  
17 (1) of this subsection by the total amount allocated under  
18 subsection (a)(4) of this section.

19

20 §15.186. Allocation of Excess. If the department determines  
21 that the total amount of funds allocated to one or more counties  
22 under §15.185 of this subchapter (relating to Allocation to  
23 Counties) exceeds the amount requested in the county's

1 application, the department will total all of those excess  
2 amounts. The department will reallocate that total in  
3 accordance with the procedures in §15.185 of this subchapter as  
4 if it were the initial allocation, except that the counties  
5 whose requested amounts have been satisfied will not be  
6 considered for the purposes of the reallocation.

7

8 §15.187. Acceptance of Applications.

9 (a) Request for applications. From time to time the  
10 commission may designate a period during which the department  
11 will accept applications for grants from the fund and, for each  
12 designated period, prescribe conditions for submission.

13 (b) Notice. The department will publish notice of the  
14 request for applications on the department's website and will  
15 provide a written notice to the county judge of each county in  
16 the state. The notice will specify:

17 (1) the period of time for submitting applications;

18 (2) the estimated amount of money available for grants  
19 from the fund; and

20 (3) any additional conditions for submission.

21

22 §15.188. Application Procedure.

23 (a) Application form. An eligible county may submit to the

1 department an application for a grant from the fund.

2 (1) The application must be submitted electronically  
3 using the department's automated system designated for the grant  
4 program.

5 (2) A county is responsible for obtaining its use of a  
6 computer system and access to the Internet.

7 (3) Upon request, a county may use the department's  
8 computer system at any district office location.

9 (4) For an application to be valid, the county must  
10 submit the application during a period designated under §15.187  
11 of this subchapter (relating to Acceptance of Applications) and  
12 satisfy the requirements of this section.

13 (b) Plan requirements. An application must contain a plan  
14 that:

15 (1) provides a prioritized list of transportation  
16 infrastructure projects to be funded by the grant;

17 (2) describes the scope of each listed transportation  
18 infrastructure project including:

19 (A) a clear and concise description of the proposed  
20 work;

21 (B) a map delineating project location and termini;

22 (C) an implementation plan, including a schedule of  
23 proposed activities;

1 (D) an estimate of project costs;

2 (E) the project funding sources; and

3 (F) other information required by the department;

4 (3) identifies matching funds required under §15.183 of  
5 this subchapter (relating to Matching Funds); and

6 (4) identifies other potential sources of funding to  
7 maximize resources available for the listed transportation  
8 infrastructure projects.

9 (c) Additional submissions. In addition to the application  
10 form, the county must also submit:

11 (1) a road condition report described by Transportation  
12 Code, §251.018 made by the county for the preceding year;

13 (2) a copy of the order establishing a county energy  
14 transportation reinvestment zone in the county; and

15 (3) documentation evidencing the creation of an advisory  
16 board as required under Transportation Code, §222.1072.

17 (d) Information for previous grant. If the county has  
18 received a grant under this subchapter, it must also submit:

19 (1) a certification that all previous grants have been or  
20 are being spent in accordance with the applicable plan submitted  
21 under subsection (b) of this section; and

22 (2) an accounting of expenditures under the previous  
23 grant, including any amounts spent on administrative costs.

1

2 §15.189. Review of Application.

3 (a) Preliminary review. The department will conduct a  
4 preliminary review of each timely submitted application within  
5 14 days after the date of receipt of the application and will  
6 notify the applicant in writing if any required information is  
7 missing. The applicant must correct the deficiency on or before  
8 the later of the deadline for submitting applications or the  
9 14th day after the date of receipt of a deficiency notice. When  
10 the application is complete, the department will notify the  
11 applicant in writing.

12 (b) Department review. The department will complete the  
13 review of each valid application before the 31st day after the  
14 date that the department receives the application unless  
15 additional time is needed, in which event the executive director  
16 may extend the period up to the 60th day after the date of  
17 receipt of the application by providing written notice of the  
18 extension to the applicant.

19 (c) Additional considerations. In reviewing an  
20 application, the department will:

21 (1) seek other potential sources of funding to maximize  
22 resources available for the transportation infrastructure  
23 projects to be funded by the requested grant; and

1           (2) consult related transportation planning documents to  
2 improve project efficiency and to work effectively in  
3 partnership with the county.

4

5 §15.190. Notice of Award. The department will provide a  
6 written notice to each applicant that states the amount of the  
7 grant awarded from the fund or stating the reasons for denial of  
8 the grant.

9

10 §15.191. Agreement.

11           (a) Requirement; content. Before receiving a grant from  
12 the fund, a county must enter into an agreement with the  
13 department under this section. The agreement must include, in  
14 addition to other provisions, a commitment by the county to:

15           (1) place the transportation infrastructure project on  
16 the county road system, if it is a county road not already on  
17 the system;

18           (2) expend grant money received only on allowable costs  
19 as provided in §15.192 of this subchapter (relating to Payment  
20 of Money);

21           (3) comply with all applicable federal, state, and local  
22 environmental laws and regulations and permitting requirements;

23           (4) maintain the road after completion of the proposed

1 work, if it is a county road; and

2 (5) contribute to the department for each transportation  
3 infrastructure project located on the state highway system, from  
4 the amount awarded to the county from the fund and the county's  
5 matching funds, if applicable, an amount equal to the allowable  
6 costs, as defined by §15.192 of this subchapter, incurred by the  
7 department for that project.

8 (b) Amendment to agreement. Any amendment to the agreement  
9 described in subsection (a) of this section must be in writing  
10 and executed jointly by the executive director and the county.  
11 A county may add a transportation infrastructure project to the  
12 prioritized list described in its application submitted under  
13 §15.188 of this subchapter (relating to Application Procedure),  
14 or a project on the list may be moved forward or backward in  
15 priority if the county submits to the department the requested  
16 revision and, for any added project, contains the information  
17 required by §15.188(b)(2) and (3) of this subchapter.

18

19 §15.192. Payment of Money.

20 (a) Allowable costs. A county may receive money from the  
21 fund only as reimbursement of allowable costs related to the  
22 transportation infrastructure projects listed in accordance with  
23 this subchapter. Allowable costs are the necessary project

1 related expenditures properly attributable to the work performed  
2 and may include a portion or all of the administrative costs of  
3 a county energy transportation reinvestment zone, subject to the  
4 limitations provided in Transportation Code, §222.1071.

5 (1) The county must request reimbursement using the forms  
6 and procedures specified by the department.

7 (2) Reimbursement will be made in accordance with  
8 generally accepted cost accounting practices on the basis of  
9 direct and related indirect costs that are incurred after the  
10 department makes the grant award under §15.190 of this  
11 subchapter (relating to Notice of Award).

12 (3) The department, on the request of a county, will make  
13 intermediate payments not more often than monthly.

14 (b) Audit. All county cost records and accounts relating  
15 to a project that receives money from the fund are subject to  
16 audit by representatives of the department and other entities of  
17 the State of Texas and, if applicable, the federal government,  
18 for a period of three years after the date that final payment is  
19 received by the county.

20

21 §15.193. Certification of Completion. Within 60 days after the  
22 date of completion of a listed transportation infrastructure  
23 project, a county receiving a grant from the fund must submit a

1 written certification that it has complied with the requirements  
2 of this subchapter, including a certification that the project  
3 has been constructed in accordance with the applicable  
4 requirements. The certification must describe the allowable  
5 costs for the project and the amount reimbursed from the fund.

6  
7 §15.194. Use of Unexpended Funds. If allocated funds remain  
8 after reimbursement of all of a county's listed transportation  
9 infrastructure projects, the county may use the unexpended  
10 balance for any transportation project in the county if within  
11 one year after the date of submission of the written  
12 certification required by §15.193 of this subchapter (relating  
13 to Certification of Completion), the county submits in writing  
14 to the department a proposed amendment to the agreement under  
15 §15.191 of this subchapter (relating to Agreement) that  
16 identifies the additional project and contains the information  
17 required by §15.188(b)(2) and (3) of this subchapter (relating  
18 to Application Procedure) for that project, and the department  
19 and county execute the proposed amendment.

20

21 §15.195. Enforcement. The executive director may:

22 (1) prohibit a county from participating in the program  
23 under this subsection if the executive director determines that

1 the county has not complied with one or more material  
2 requirements of this subchapter;

3 (2) prohibit a county from participating in the program  
4 under this subsection until the executive director determines  
5 that the county has complied with all material requirements of  
6 this subchapter; or

7 (3) remove a project from participation in the program  
8 under this subsection if work on the project is not begun within  
9 three years after the date of the agreement under §15.191 of  
10 this subchapter (relating to Agreement) or within another  
11 reasonable period that is agreed to by the department and the  
12 county.

13  
14 §15.196. Reimbursement. If a county commences performance on a  
15 transportation infrastructure project but fails to complete the  
16 project, the department may seek reimbursement of all grant  
17 money received by the county for that project. Any money  
18 recovered under this section will be deposited to the credit of  
19 the fund.