

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 19, 2003

TO: Honorable Talmadge Heflin, Chair, House Committee on Appropriations

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB471 by Pickett (Relating to the borrowing of money by the Texas Department of Transportation.), **Committee Report 1st House, As Amended**

Under the provisions of the bill, the maximum amount that could be borrowed at any one time would be approximately \$476 million. If amounts are loaned from the General Revenue Fund, there could be a reduction in the amount of General Revenue available for appropriation.

The bill would amend the Transportation Code to allow the Texas Transportation Commission to authorize the Texas Department of Transportation (TxDOT) to borrow money from the State Treasury or any other source to carry out the functions of the agency. The bill would establish guidelines and restrictions regarding loan amounts and contracts made by TxDOT under the provisions of the bill. The bill would authorize the Comptroller's Office to contract with TxDOT for a loan of money in the State Treasury apart from money in the State Highway Fund and funds dedicated to a specific purpose. The bill would limit the term of a loan to a maximum of two years; require that a loan could not create a general obligation of the state; allow a loan to be payable from the State Treasury as authorized by legislative appropriation; and allow money in the State Highway Fund to be used for loan repayments if appropriated by the Legislature for that purpose.

The bill would take effect on the date on which the constitutional amendment, HJR 28, proposed by the 78th Legislature, Regular Session 2003, would take effect. If that amendment does not receive approval by the voters, the bill would have no effect.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller Of Public Accounts, 601 Department Of Transportation

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