

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 8, 2003

TO: Honorable Harvey Hilderbran, Chair, House Committee on State Cultural and Recreational Resources

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB994 by Nixon (Relating to billboards along highways; imposing a civil penalty.), As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for HB994, As Introduced: an impact of \$0 through the biennium ending August 31, 2005.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from <i>STATE HIGHWAY FUND</i> 6
2004	(\$173,359,789)
2005	(\$173,359,789)
2006	(\$173,359,789)
2007	(\$173,359,789)
2008	(\$173,359,789)

Fiscal Analysis

The bill would amend the Transportation Code by adding a new chapter relating to billboard construction, repair, and relocation. The provisions would authorize the Department of Transportation (TxDOT) to adopt rules to administer and enforce the chapter. Except for signs designed or intended to protect life or property, or a structure erected by an agency or political subdivision of the state, billboards, as defined in the chapter, would be prohibited from erecting or repairing a billboard if visible from a public highway or street. Under specific circumstances, a billboard could be relocated, but the State Highway Commission could designate a highway in the state highway system as a protected highway where a billboard could not be relocated.

The provisions of the bill would impose a civil penalty of not less than \$500 or more than \$1,000 for each violation of the chapter; and a separate penalty could be collected for each day a continuing violation occurred. The civil penalty would be split among the local entity and to the credit of the State Highway Fund.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2003.

Methodology

TxDOT anticipates the provisions of the bill would put \$173.3 million, or 10 percent, of federal highway funds at risk. The Federal Highway Administration could withhold funds from program categories apportionments each year due to substantially altering the state's method of regulating billboards as required by the federal Highway Beautification Act. The federal categories include the National Highway System, Congestion Mitigation and Air Quality, Surface Transportation Program, and Interstate Maintenance.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 601 Department of Transportation

LBB Staff: JK, JO, CL, RT, DE, KG