

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 29, 2003**

**TO:** Honorable Steve Ogden, Chair, Senate Committee on Infrastructure Development and Security

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: SB1706** by Wentworth (Relating to the authorization of airport authorities and the issuance of bonds and exercise of eminent domain by the authorities.), **Committee Report 1st House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Transportation Code to authorize the creation of airport authorities by the state, counties and municipalities, through their independent or joint action. The bill would allow the local governments and the state to donate, sell or lease property and facilities to the authority, as well as transfer operational responsibility to the authority. The bill would allow authorities to issue revenue bonds to fund projects, to construct new airport facilities to meet increased demands for services, provide a coordinated effort to meet a region's air travel needs, and have limited rights of eminent domain. The bill would establish provisions for a board of directors and for the powers of the authority and would create requirements for contract exemptions, zoning and certain tax exemptions.

Based on the analysis of the Department of Transportation and the Comptroller of Public Accounts, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

The bill would take effect immediately upon receiving a two-thirds majority vote in both houses; otherwise, the bill would take effect September 1, 2003.

**Local Government Impact**

The fiscal impact to units of local government would vary depending on the size of the local body and the services that would be provided under the provisions of the bill. It is assumed that costs to local governmental entities for participating in the promotion, facilitation, development and improvement of air transportation in this state would depend on the size and type of the projects that are constructed. The bill would also grant the authority the ability to establish fees, maintain rates, obtain grants, and issue bonds at a level to pay all expenses necessary for operations, maintenance, and repayment of any bond debt.

**Source Agencies:** 304 Comptroller of Public Accounts, 601 Department of Transportation

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