

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**May 16, 2005**

**TO:** Honorable Todd Staples, Chair, Senate Committee on Transportation & Homeland Security

**FROM:** John S. O'Brien, Deputy Director, Legislative Budget Board

**IN RE: HB2137** by Phillips (Relating to the construction or improvement of buildings by the Texas Department of Transportation.), **As Engrossed**

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

The bill would amend Chapter 201, Transportation Code, to allow the Texas Department of Transportation (TxDOT) to enter into an agreement with a private entity that includes site development and the design and construction of a building and related facility that supports TxDOT operations on TxDOT-owned real property or real property owned by the private entity. The bill would allow TxDOT to enter into an agreement to acquire or lease with the option to purchase real property owned by the private entity and the related facility. The bill would require the Texas Transportation Commission to determine whether bond financing or lease with an option to purchase is the most cost-effective alternative for the acquisition of the building or related facility prior to signing such an agreement. The bill would also allow TxDOT to enter into an agreement to exchange department-owned real property as whole or partial consideration for the building and related facility.

The bill would amend Chapter 221, Transportation Code, to include TxDOT buildings in the definition of "highway."

The bill would amend Section 2166.302, Government Code, to exempt buildings constructed by and for TxDOT from the general building construction contract conditions established by the Texas Building and Procurement Commission.

Based on the analysis of TxDOT, 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 vote of two-thirds of all members elected to each house or otherwise on September 1, 2005.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 601 Department of Transportation, 303 Building and Procurement Commission

**LBB Staff:** JOB, SR, MW, TG