

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 27, 2005

TO: Honorable Mike Krusee, Chair, House Committee on Transportation

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

IN RE: HB2138 by Phillips (Relating to the acquisition, construction, maintenance, operation, and provision of toll facilities and a transit system by a regional mobility authority, and the transfer to a regional mobility authority of the toll facilities, transit system, and related assets of a regional tollway authority or transit provider or of certain counties; providing criminal penalties; authorizing a tax.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would authorize a regional tollway authority (RTA) to transfer all or any of its assets, including work product for a project under development, to a regional mobility authority (RMA). The transfer would require approval of each RTA member county commissioners court. If work product is transferred, the RMA must reimburse the RTA its expenses. The bill would also allow an RMA to transfer assets to an RTA.

The bill would establish the procedures for an RTA and an RMA to make the transfer, including a provision that if an RTA transfers all of its assets in a county to an RMA, including any work product for a project under development, that the RMA would no longer be subject to decisions by the RTA regarding the RMA's turnpikes in that county.

An RMA would be prohibited from providing passenger rail within the area of an Intermunicipal Rail District existing as of September 1, 2005, without the approval of the district. In addition, an RMA would be prohibited from providing transit services within any part of Denton County without the approval of that county's transit authority.

An election would be required, with approval by each city in a rapid transit district, before the district could dissolve and transfer its assets to an RMA. If an authority were to acquire a transit provider with taxing authority, the authority may impose a sales and use tax at a permissible rate that does not exceed the rate approved by the voters who reside in the service area of the transit provider's transit system. The permissible rates that could be imposed would range from one-quarter of one percent to one percent, in one-quarter of one percent increments.

The bill would take effect immediately if it receives the required two-thirds vote in each house; otherwise, it would take effect September 1, 2005.

Local Government Impact

If an RTA or an RMA were to pursue making a transfer of assets, the authorities would incur the costs of an election. Based on costs reported to the Secretary of State in the summer of 2004 by a sampling of counties, municipalities, and special districts, the average cost incurred by a local government entity for an election is \$1.29 per registered voter. If a special election were to be held on the general election date, the local government would experience an increase in costs that would not likely be significant (because the state pays the majority of the costs). If a special election were to be held on a uniform election date other than the general election date, the local government would incur the full costs associated with conducting the special election (pay to workers, fee for use of polling locations, publishing notice in newspapers, printing of ballots).

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

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, SR, DLBa