

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 8, 2005

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

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

IN RE: HB2704 by Krusee (Relating to the authority of local governments to enter into certain agreements for the construction, maintenance, or operation of toll or nontoll projects or facilities on the state highway system.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would authorize a local government to enter into and make payments under an agreement with another local government for various activities related to a toll or nontoll project or facility on the state highway system located within the boundaries of the local government or within the boundaries of an adjacent local government as a continuation of the project or facility. The Texas Department of Transportation (TxDOT) would be required to approve an agreement.

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.

Any improvements to a facility on the state highway system that is funded at the local level would provide a savings to the state, except those improvements funded or partially funded through an agreement between the local government and TxDOT. The agency indicates that any fiscal impact would be insignificant.

Local Government Impact

No significant fiscal implication to units of local government is anticipated because the local governments would have funding options available to cover costs associated with implementing the provisions of the bill.

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, SR, DLBa