

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 12, 2007

TO: Honorable John Carona, Chair, Senate Committee on Transportation & Homeland Security

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

IN RE: HB504 by Naishtat (Relating to payment for the provision of services by a metropolitan rapid transit authority to persons with disabilities in a unit of election that has withdrawn from the authority.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to change the amount of sales and use tax revenue collected from a unit of election to be remitted to a metropolitan rapid transit authority (authority) that provided services to persons with disabilities in that unit of election once the unit has withdrawn from the authority.

Under current statute, the comptroller is required to withhold from the amount of sales and use tax revenue refunded to a unit that has withdrawn from an authority one-half the difference between the cost of providing services to persons with disabilities in the unit and the fares charged during the period in which the sales and use tax was collected. Under the provisions of the bill, the comptroller would withhold from the amount refunded to the unit the full amount of the difference between the cost of providing services and the fares charged and remit that amount to the authority.

The Comptroller of Public Accounts indicates there would be no new costs to the agency associated with implementing provisions of the bill.

Local Government Impact

The proposed change in statute would result in an increase in the amount of costs recouped by an authority and an equal amount of revenue loss to a unit that has withdrawn from an authority. The amount would depend on costs of services provided. As an example, Capital Metro, the metropolitan rapid transit authority in the City of Austin, reports that four communities have withdrawn from the authority and are still receiving paratransit services. Capital Metro estimates full reimbursement would result in an increase of \$146,567 in reimbursements received in fiscal year 2008, increasing each fiscal year thereafter, to approximately \$238,973 by fiscal year 2012.

Source Agencies: 304 Comptroller of Public Accounts

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