

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 19, 2007

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

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

IN RE: HB549 by Farrar (Relating to environmental review of toll projects.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend various sections of the Transportation Code to require the Texas Department of Transportation (TxDOT) to conduct an environmental impact statement on all TxDOT toll projects and require regional tollway authorities, regional mobility authorities, or local governments who build tollroads to adopt environmental review standards substantially similar to those of TxDOT.

Based on the analysis of TxDOT, it is assumed any increased costs or responsibilities associated with implementing the bill could be absorbed within existing resources.

The bill would take effect on September 1, 2007.

Local Government Impact

Harris County reports that the environmental statements required by the provisions of the bill would impact 25 existing tollway projects and an additional seven projects over the next five years. Costs are estimated at \$672,000 in fiscal year 2008, rising to almost \$2.3 million in fiscal year 2012.

The Fort Bend County and Toll Road Authority reports that the provisions of the bill would cause construction costs to increase five percent. Additionally, the debt service would increase due to the issuance of bonds to fund the environmental review. There would also be revenue losses, which would include the estimates from any revenue projection studies for the additional two years of tolls that would not be collected due to the delay in completion.

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, KJG, MW, TG