

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 16, 2007

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

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

IN RE: HB2693 by Vo (Relating to economic impact studies conducted by the Texas Transportation Commission.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to require the Texas Transportation Commission to develop rules providing for the review of impacts of the Texas Department of Transportation's (TxDOT) projects on businesses located in a project area. The rules would provide for: public comment on the economic review; a list of the types of projects for which public hearings would be required; an evaluation of indirect and direct effects; an analysis of project alternatives; and a report that explains the decision on a project and specifies any mitigation measures on which a project is conditioned. The bill would specify that the economic review would have to be conducted in the time required for an environmental review of the project.

Based on the analysis of TxDOT, it is assumed the department would incur costs ranging from \$15 million to \$29 million each year to conduct economic impact reviews in addition to environmental reviews for projects. It is assumed TxDOT would reallocate funding from other transportation projects to accommodate the costs of implementing the provisions of the bill.

The bill would take effect on September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, KJG, MW, TG