

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 26, 2007

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

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

IN RE: HB3715 by Krusee (Relating to the termination of certain comprehensive development agreements; authorizing the issuance of bonds.), **As Introduced**

<p>The fiscal implications to the State cannot be determined.</p>
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The bill would amend the Transportation Code to authorize the Texas Department of Transportation (TxDOT) to issue toll revenue bonds, as authorized in Transportation Code Section 228.102, to pay for certain costs associated with the termination of a comprehensive development agreement (CDA) under which a private participant has paid a concession fee for the right to operate and collect revenue from a project. The bill would authorize a regional mobility authority the same authority to issue bonds to pay for certain costs associated with terminating such CDAs.

Pursuant to Transportation Code Section 228.104, toll revenue bonds issued under the authority of Transportation Code Section 228.102 do not constitute a debt of the state or a pledge of the faith and credit of the state, such obligations and are generally payable from the revenue of the toll project or system for which the bonds are issued. Based on the information provided by TxDOT, it is assumed the department does not anticipate terminating any CDA's with private entities within the next five fiscal years or beyond 2012. Any fiscal implications to the state would depend on the number and scope of CDA's TxDOT would elect to terminate and the costs associated with the issuance of toll revenue bonds and, therefore, cannot be determined.

The bill would take effect on September 1, 2007.

Local Government Impact

Any fiscal implications to regional mobility authorities would depend on the number and scope of CDA's the authorities would elect to terminate and the costs associated with the issuance of toll revenue bonds and, therefore, cannot be determined.

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, KJG, MW, TG