

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 11, 2007

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

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

IN RE: HB3782 by Krusee (Relating to the relocation of utility facilities required by improvement of a state highway.), **Committee Report 1st House, Substituted**

The fiscal implications to the State cannot be estimated.

The bill would amend the Transportation Code to extend the current provision requiring the Texas Department of Transportation (TxDOT) and a utility to share equally the cost of the relocation of a utility facility required by the improvement of a state highway to September 1, 2013. The bill would add a new section to the Transportation Code to require the Texas Transportation Commission to adopt rules to authorize TxDOT to enter into a prepayment funding agreement with a utility, at the request of the utility, that provides for the department to reimburse the utility for the direct and related indirect costs of the relocation of its utility facilities that are not eligible for reimbursement under Transportation Code Section 203.092. The bill would specify that such agreements should require the utility to prepay to the department an annual amount for each year of a three-year period of the agreement in accordance with other specifications provided by the bill. The bill would require all prepayments received by TxDOT from a participating utility to be deposited to the credit of the State Highway Fund.

Based on the analysis of TxDOT, any additional costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources. The fiscal impact to the State Highway Fund resulting from prepayments received from utilities would depend on the number of utilities who choose to enter into a prepayment funding agreement and the amount of prepayments that would be required under the provisions of the bill and, therefore, cannot be determined.

The bill would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current legislature.

The bill would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or otherwise 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, TG, MW