

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 20, 2007

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

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

IN RE: SB792 by Williams (Relating to the power of counties and certain other public entities with respect to certain transportation projects.), **As Introduced**

The fiscal implications to the State cannot be determined.

The bill would amend the Transportation Code to authorize certain counties to exercise the powers of a regional mobility authority under Chapter 370 of the Transportation Code. The bill would authorize certain counties, regional tollway authorities, and regional mobility authorities to use state highway right-of-way and access to the state highway system owned by the Texas Department of Transportation (TxDOT) for certain transportation projects. The bill specifies that TxDOT may not require any payment for such use of right-of-way or access to the state highway system.

Based on the analysis of TxDOT, it is assumed the fiscal implications to the state would depend on the number of local toll project-building entities and the number of projects that would use state highway right-of-way owned by TxDOT without payment and, therefore, cannot be determined.

TxDOT indicates that the state's federal highway funding could be jeopardized if a tolling entity were to take control of a federal-aid highway and convert it to a toll project. Federal penalties could accrue depending on the number or scope of projects in violation of federal requirements.

Any major roadway intersecting with a federally funded highway or transit system subsidized by the federal government must undergo environmental and design and build reviews conducted by TxDOT, which must subsequently be approved by the Federal Highway Administration. Currently TxDOT is the only state administrative entity granted authority by the federal government to conduct those activities as they relate to federal-aid highways or projects that intersect with federal-aid highways.

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

It is assumed that a county or local government corporation would exercise the powers of a regional mobility authority for a turnpike project only if sufficient funds were available. These entities would see savings for these projects from not having to pay TxDOT for use of state highway right-of-way or access to the state highway system, but the savings, if any, would depend on the size of the local body and the size of the project.

Source Agencies: 601 Department of Transportation

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