

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 29, 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 authority of certain counties and other entities with respect to certain transportation projects and to comprehensive development agreements with regard to such projects.), **Committee Report 1st House, Substituted**

The fiscal implications to the State cannot be determined.

The bill would amend the Transportation Code to require the Texas Transportation Commission (TTC) and the Texas Department of Transportation (TxDOT) to allow county tolling road authorities (CTRA) and regional tollway authorities (RTA) to use TxDOT-owned highway right of way and to access the state highway system for certain projects. The bill would specify that TxDOT or the Commission may not require payment for the right-of-way or access, except to reimburse TxDOT or TTC for costs incurred or to be incurred by a third-party, including the federal government, as a result of the use by the county. The bill would require TTC or TxDOT to provide CTAs and RTAs the first option to finance, construct, or operate a portion of a toll project in the county before TTC or TxDOT could enter into a contract for those purposes. The bill would grant a county all powers of TxDOT related to the development of a Trans-Texas Corridor project if a county requests or is requested by TxDOT to participate in the project. The bill would authorize a regional mobility authority to enter into comprehensive development agreements with private entities to design, develop, finance, construct, maintain, repair, operate, extend, or expand a turnpike project. The bill would void the North Texas Transit Authority (NTTA)/TxDOT protocol that defines which projects NTTA will develop and which ones TxDOT will develop.

TxDOT reports that providing state-owned right-of-way for regional projects would result in a loss of state funds that have already been expended that would not qualify for reimbursement under the provisions of the bill. Based on the analysis of TxDOT, it is assumed the fiscal implications to the state would depend on the number the number of such projects that would use state right-of-way owned by TxDOT and, therefore, cannot be estimated.

TxDOT indicates that the state's federal highway funding could be jeopardized under certain provisions of the bill, and it is assumed federal penalties could accrue depending on the number and scope of projects in violation of federal requirements. Currently, TxDOT is the state administrative entity granted authority by the federal government to oversee or conduct environmental and design and build reviews for any major roadway receiving federal aid or intersecting a federal-aid highway or a transit system subsidized by the federal government.

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 a regional tollway authority would enter into a contract to finance, construct, and operate a toll project only if sufficient funds were available. These entities could see savings for these projects from not having to pay TxDOT or TTC 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.

It is assumed that a county or a local government corporation would enter into a contract with a private entity to design, develop, finance, construct, maintain, repair, operate, extend, or expand a proposed or existing transportation project only if sufficient funding is available. There would be no significant impact to a county to comply with the required submission of project information to TxDOT.

It is assumed that a regional mobility authority would use a comprehensive development agreement with a private entity to design, develop, finance, construct, maintain, repair, operate, extend or expand a turnpike project only if sufficient funding were available.

Source Agencies: 601 Department of Transportation

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