

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 13, 2007

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

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

IN RE: SB991 by Ogden (Relating to the cessation of tolls by toll project entities in certain circumstances.), **As Introduced**

The fiscal implications to the state cannot be determined.

The bill would amend the Transportation Code by removing provisions that allow the use of surplus toll revenue collected from one project to pay for another transportation project. The bill would specify that a toll project becomes a part of the state highway system and requires the Texas Transportation Commission to maintain the project without tolls when the costs of acquisition and construction have been paid and all bonds and interest on bonds secured by revenues of the project have been paid or when a sufficient amount for the payment of the bonds and interest has been set aside in a trust fund for the benefit of the bondholders.

Based on information provided by TxDOT, it is assumed the provisions of the bill would prohibit the department from entering into concession agreements and certain comprehensive development agreements (CDA). TxDOT indicates that six new toll projects totaling \$8.5 billion in construction costs are currently being developed as potential CDAs that would be financed with private sector toll revenue bonds and capital, and that near-term Trans-Texas Corridor 35 projects represent \$8.8 billion in construction costs with \$1.9 billion in potential concession payments to the state. Under the provisions of the bill, TxDOT would be required to finance these projects using state resources. The fiscal implications to the state would depend on the number of potential CDA projects and concession agreements that could be implemented under current law but would be prohibited as a result of the enactment of the bill and, therefore, cannot be determined.

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

The fiscal implications to units of local government cannot be determined.

Source Agencies: 601 Department of Transportation

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