

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**March 25, 2007**

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

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

**IN RE: SB1536** by Fraser (Relating to the issuance of bonds by a municipality for certain improvements on the state highway system; providing authority to impose a tax.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would add Subtitle J to Title 9, Government Code, to authorize municipalities to issue bonds for the design, development, financing, construction, maintenance, operation, extension, expansion, or improvement of a nontoll project or facility on the state highway system. Revenue received from the Texas Department of Transportation under a pass-through toll agreement may be pledged as payment of the bonds.

The bill would take effect immediately if it were to receive the required two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

**Local Government Impact**

The impact would vary by municipality and would depend on projects pursued and amount of bonds issued.

**Source Agencies:** 601 Department of Transportation

**LBB Staff:** JOB, KJG, DB