

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 20, 2009

TO: Honorable Joseph Pickett, Chair, House Committee on Transportation

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

IN RE: HB3448 by Rodriguez (Relating to local options regarding transportation and mobility improvement projects in certain counties.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would add Chapter 446 to the Local Government Code to authorize certain counties to call an election to impose a tax and/or fees to produce local revenue for mobility or transportation improvement projects, including passenger rail, transit, roadway, and freight rail projects.

The bill would allow local option revenue alternatives such as a county motor fuel tax that could be adjusted for inflation; a mobility improvement fee not to exceed \$60; a parking regulation and management fee of fifty cents per hour per meter parking space and \$1 per day per structured parking space; an annual motor vehicle emissions fee based on the amount of pollutants released by a vehicle; a driver's license renewal fee equal to the amount of the renewal fee of a license under Section 521.421 (License Fees; Examination Fees), Transportation Code; a new resident roadway impact fee not to exceed \$250; and a mileage fee based on the amount of miles traveled by a motor vehicle registered to a county resident, not to exceed one cent per vehicle mile traveled.

The county commissioners court and governing body of a municipality would provide the funding for a mobility or transportation improvement project, but only if the project is determined to be an improvement of passenger rail, transit, or freight rail mobility or a substantial improvement of the roadway system by the metropolitan planning organization (MPO) for the regional transportation system in which the county is located. If the county is designated as a nonattainment area, preference in project selection would be required to be given to projects that are exempt from federal transportation conformity requirements, exempt from regional emissions analyses, and demonstrate quantifiable vehicle emissions reductions. All counties that impose the local option funding would be required to participate in a local option transportation fund to be administered by the MPO. The MPO would be required to establish a separate account in the fund for each approved mobility or transportation improvement project and to fund maintenance and operations of the project when applicable. Revenues from the optional tax or fees could be used by the MPO for building transportation improvement projects, for funding bonds used to construct transportation improvement projects, or to fund contracts with parties providing transportation services.

The Texas Department of Transportation would be prohibited from reducing the funding of transportation projects in a county that receives local funding under this chapter.

The bill would take effect January 1, 2010. The bill would authorize a local motor vehicle fuel tax or local vehicle registration fee to be imposed only if the constitutional amendment allowing the expenditure of motor vehicle fuel taxes and vehicle registration fees to construct, maintain, and operate passenger rail, transit, and freight rail is approved by voters.

According to information provided by the Department of Public Safety, it is assumed that costs associated with programming to adjust for a new driver's license renewal fee could be absorbed within existing resources.

Local Government Impact

Based on the applicability criteria within the bill, it would apply only to the Capitol Area Metropolitan Planning Organization.

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 304 Comptroller of Public Accounts, 405 Department of Public Safety, 601 Department of Transportation

LBB Staff: JOB, KJG, DB, MM