

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 21, 2009

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

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

IN RE: SB1263 by Watson (Relating to certain mass transit entities.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1263, As Engrossed: an impact of \$0 through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Six-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0
2015	\$0

All Funds, Six-Year Impact:

Fiscal Year	Probable Savings/ (Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>Capital Metropolitan Transportation Authority</i>	Change in Number of State Employees from FY 2009
2010	(\$194,569)	\$194,569	(\$194,569)	3.0
2011	(\$194,569)	\$194,569	(\$194,569)	3.0
2012	\$0	\$0	\$0	0.0
2013	\$0	\$0	\$0	0.0
2014	\$0	\$0	\$0	0.0
2015	(\$194,569)	\$194,569	(\$194,569)	3.0

Fiscal Analysis

The bill would amend Chapter 2171, Government Code, to authorize an officer or an employee of certain transportation or transit authorities or departments, when engaged in official business of the authority or department, to participate in the contract for travel services that is administered by the Comptroller of Public Accounts. The Comptroller would be authorized to charge a fee not to exceed the costs incurred in providing services. The Comptroller would be required to periodically review the fees and adjust them as necessary.

The bill would add Section 451.0612 to Subchapter B, Chapter 451, Transportation Code to

authorize certain metropolitan transportation authorities to employ persons to serve as fare enforcement officers to enforce the payment of fares for use of the public transportation system. The authority in the City of Austin is the only metropolitan transportation authority that meets the criteria for which authority to whom the new section of statute would apply.

The bill would further amend Chapter 451 of the Transportation Code as it relates to the Capital Metropolitan Transportation Authority in Austin (Cap Metro). Included would be requirements related to the effective date of establishment of or a change to fares, tolls, charges, rents, and other compensation by Cap Metro; balloting on funding the system and expanding the system; internal audits; reports to the principal municipality and county which Cap Metro serves; and membership of the Cap Metro board.

The bill would require that the Sunset Advisory Commission review Cap Metro as if it was scheduled to be abolished September 1, 2011, and again as if it was scheduled to be abolished September 1, 2016. Cap Metro would be required to pay the costs incurred for the commission to conduct the reviews.

The bill would take effect September 1, 2009.

The bill would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in the bill would be subject to funds consolidation review by the current Legislature.

Methodology

Revenue from charging a fee to an authority or department for participation in the comptroller's contract for travel service would depend on the number of employees who would choose to participate; therefore, the amount of revenue gain from fees imposed cannot be estimated. However, it is assumed the amount would not be significant. Because other local government entities are already authorized by statute to participate in the comptroller's contract for travel service, based on information provided by the comptroller, it is assumed that any costs for implementing provisions of the bill could be absorbed within existing resources.

According to the Sunset Advisory Commission, the agency would need three additional full-time-equivalent positions in each year in which the reviews are conducted: fiscal years 2010, 2011, and 2015 (although there would be costs incurred in fiscal year 2016, this analysis covers only the first six years of implementation). The commission would also incur production costs to print and distribute reports containing the commission's recommendations. All cost estimates are based on historical costs related to similar sized reviews. As required by provisions of the bill, the commission would be reimbursed its costs by Cap Metro.

Local Government Impact

It is assumed that a transportation or transit authority or department would choose to participate in the comptroller's contract for travel service if the savings in travel, combined with the cost of a fee imposed for participation, would provide a net savings over travel costs outside of the contract.

The costs to Cap Metro as a result of the proposed changes to Chapter 451, Transportation Code, are shown in the above tables.

Source Agencies: 116 Sunset Advisory Commission

LBB Staff: JOB, DB, KJG, SD