

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 3, 2009

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

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

IN RE: SB2378 by Nichols (Relating to the purposes and designation of a transportation reinvestment zone.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 222 of the Transportation Code regarding use of taxes collected on property in a municipal transportation reinvestment zone and in a county transportation zone and deposited into a tax increment account. The bill also would change the criteria for which municipalities and counties would be authorized to create a transportation reinvestment zone.

Local Government Impact

The fiscal impact of implementing the proposed requirements for use of tax increments in a transportation reinvestment zone would vary depending on the projects to be funded. Regarding change in eligibility to create a transportation reinvestment zone, based on information provided by the Texas Association of Counties and the Texas Municipal League, it is assumed that a municipality or a county would designate a transportation reinvestment zone and undertake a transportation project only if there were sufficient resources available or the net fiscal impact would be positive.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, DB, KJG