

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 22, 2011

TO: Honorable Larry Phillips, Chair, House Committee on Transportation

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

IN RE: HB1724 by Hamilton (Relating to economically driven mobility projects.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to create an economically driven mobility account in the Texas Mobility Fund (TMF) and to require the Department of Transportation (TxDOT) to develop a process and criteria by rule no later than September 1, 2012, to select economically driven projects that would be funded from the newly created account in the TMF. The bill would establish project selection criteria priorities for projects. The bill would also establish requirements for revenues deposited to the credit of the account and the use of money in the account. The bill would require TxDOT to either create a new division that employs economic developers or contract with economic development consultants. The bill would also require TxDOT to develop a project application process for local transportation planning entities (including municipalities, counties, metropolitan planning organizations, toll project entities, and public transportation entities) and it would allow TxDOT to either contract with local governments or private entities for purposes clarified under the provisions of the bill.

Based on the analysis of TxDOT, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources.

Local Government Impact

The bill would require TxDOT to develop a project application process for local transportation planning entities, and would allow TxDOT to contract with local governments for the construction of selected projects. Fiscal impact to local governments would vary depending on the amount of revenue dedicated to projects affecting local governments as well as the scope of a given project and the specific terms of a contract between TxDOT and a local government.

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

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