

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 1, 2011

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

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

IN RE: HB2396 by McClendon (Relating to the issuance of bonds by an advanced transportation district.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to authorize an advanced transportation district created under Subchapter O to issue bonds without holding an election to authorize the action.

The governing body of the district would be authorized to use the proceeds for a debt service requirement, capitalized interest, reserve fund requirement, credit agreement, administrative cost, or other bond-related cost incurred by or relating to the issuance of obligations by the district relating to the purchase, design, construction, reconstruction, alteration, financing, and maintenance of advanced transportation facilities, equipment, operations, systems, and services, including a feasibility study, operation, or professional or other service in connection with the facilities.

Local Government Impact

There would be a savings to a district if an election was not required to issue bonds; however, the amount is not anticipated to be significant. Based on costs reported to the Secretary of State (SOS) in 2010 by a sampling of counties, municipalities, and special districts, the average cost incurred by a local governmental entity for an election is \$1.98 per registered voter.

Source Agencies:

LBB Staff: JOB, KJG, TP