

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 15, 2011

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

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

IN RE: HB3755 by Cook (Relating to management of certain metropolitan rapid transit authorities.),
As Introduced

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to implement recommendations from the Sunset Commission for the Capital Metropolitan Transportation Authority (Capital Metro). The bill would require the Capital Metro board to annually adopt a balanced budget that includes operating and capital spending; develop a five-year capital plan; and adopt and annually reevaluate a five-year strategic plan.

The bill also would require the board to maintain a reserve equal to at least two months of operating expenses at the beginning of the fiscal year. The board would be required to employ a rail director; maintain a comprehensive rail safety plan; and regularly report on rail system safety to the Texas Department of Transportation. Capital Metro would be required to competitively bid and purchase all transit services not directly provided by its own employees.

Local Government Impact

According to the Sunset Commission, the only section of the bill expected to have a significant fiscal impact is the requirement of competitive bidding. Based on estimates, Capital Metro could experience a net savings of \$11,800,000 in Fiscal Year (FY) 2013; \$16,200,000 in FY 2014–15; and \$22,200,000 in FY 2016. Capital Metro would need to add three full-time employees for FY 2012 and seven full-time employees for FY 2013–16.

Source Agencies: 116 Sunset Advisory Commission

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