

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 25, 2011

TO: Honorable Tommy Williams, Chair, Senate Committee on Transportation & Homeland Security

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

IN RE: SB246 by Shapiro (Relating to toll collection services provided by a regional tollway authority.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to define “tolling services” as tolling services normally provided through an authority’s customer service center, including customer service, customer account maintenance, transponder supply, and toll collection and enforcement.

The bill would prohibit a regional tollway authority from providing financial security for tolling services if providing the security would restrict the amount or increase the cost of bonds or debt obligations. The regional tollway authority would not be allowed to reimburse the cost of security.

A regional tollway authority would be required to enter into a written agreement to establish terms and conditions for the tolling services to be provided and the compensation for those services. The bill provides that toll revenues are the property of the authority under an agreement regardless of who holds or collects the revenues. Toll revenues, under a tolling services agreement for a toll project, that are not held or collected by the authority and are not the property of the authority, would not be subject to a claim adverse to the authority or a lien on or encumbrance against property of the authority.

The bill would authorize a public or private entity, including an authority or the Texas Department of Transportation (TxDOT), to agree to fund a cash collateral account for the purpose of providing money for payments that an authority failed to pay under a tolling services agreement. TxDOT would be authorized to use money from any available source to fund a cash collateral account as defined by the provisions of the bill.

According to TxDOT, some form of performance security would be needed for the tolling services to be provided by NTTA for a project. TxDOT would likely need to provide funds to NTTA who would deposit the funds into a separate account or pay the funds directly into a separate account for access by the developer should NTTA fail to perform. The amount of the funds would vary by project and the projected revenues of the winning bidder on a project. TxDOT indicated the provisions of the bill would not have a significant fiscal impact on the agency and any additional workload could be handled with existing staff and resources.

Local Government Impact

It is assumed that a regional tollway authority would provide security services or agree to fund a cash collateral account only if sufficient funds were available or there would be a positive fiscal impact; therefore, no significant fiscal impact is anticipated.

The North Texas Tollway Authority reported there would be no fiscal impact associated with implementing the provisions of the bill.

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, TP, KJG