

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 6, 2013

TO: Honorable José Menéndez, Chair, House Committee On Defense & Veterans' Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1123 by Herrero (Relating to discount programs for certain veterans provided by toll project entities.), **As Introduced**

<p>No fiscal implication to the State is anticipated.</p>
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The bill would amend Section 372.053, Transportation Code, to require rather than authorize a toll project entity to establish a discount program that provides free or discounted use of the entity's toll project by an electronic toll collection customer whose account relates to a vehicle registered with Disabled Veterans, Purple Heart, or Medal of Honor specialty license plates. The bill would take effect on September 1, 2013.

Pursuant to Section 372.053 (a), Transportation Code, the Texas Department of Transportation (TxDOT) currently allows vehicles that are actively registered with the State of Texas and displaying a Disabled Veteran, Purple Heart, or Medal of Honor specialty license plate to use TxDOT toll roads free of charge. Therefore, it is assumed the provisions of the bill would not result in a fiscal impact to the state.

Local Government Impact

The provisions of the bill would result in an indeterminate cost to local toll project entities that do not currently offer free or discounted use of local toll projects as prescribed by the bill.

The bill would require local toll project entities (regional tollway authorities, regional mobility authorities, and county toll road authorities) to offer free or discounted use of the entities' toll projects for vehicles registered with the applicable military specialty license plates. Currently, the Harris County Toll Road Authority is the only local toll project entity offering such a program.

As of August 2012, approximately 161,000 vehicles were registered with the applicable military specialty license plates out of a total of approximately 22 million registered vehicles in Texas. The potential cost to a local toll project entity would depend on the number of eligible registered vehicles that use an entity's toll project, the number of free or discounted toll transactions made by those vehicles, and the applicable toll rate for those transactions.

According to the Cameron County, the Northeast Texas, and the Central Texas Regional Mobility Authorities, no significant fiscal impact is anticipated.

The Central Texas Regional Mobility Authority (CTRMA) also indicated revenue losses would total an estimated \$251,014, which is significantly less than 1 percent of CTRMA's projected annual toll revenue.

The North Texas Tollway Authority (NTTA), estimates revenue losses ranging from \$2.9 million to \$7.8 million based on the number of vehicles registered with eligible license plates in Collin, Dallas, Denton, and Tarrant counties and the average monthly TollTag expenditures on NTTA toll projects. (Note: NTTA states that its bondholder Trust Agreement does not allow for non-revenue passage by parties not currently prescribed in the Agreement.)

Source Agencies: 601 Department of Transportation

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