LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 9, 2013

TO: Honorable Byron Cook, Chair, House Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1719 by Phillips (Relating to passenger security screening and reporting by certain local government airport operators.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to authorize the governing body to commission an employee of an airport security force under Chapter 23 as a peace officer.

The bill would add Section 23.004 to establish a screening partnership program and would include the definition of an "airport operator" as a local government, or a person who operates as the agent of a local government, that owns or controls an airport. An airport operator would be required to apply to participate in the security opt-out program not later than January 1, 2014, by submitting specified information to the Texas Department of Public Safety (DPS) and the Texas Department of Transportation (TxDOT). An airport operator that fails to comply may not receive state funding for the operation of the airport. This section would expire August 31, 2019.

An airport operator would be required to submit a report to DPS and TxDOT describing the number and nature of complaints received from passengers concerning the behavior of Transportation Security Administration agents not later than January 1, 2015 and on January 1 of each year thereafter.

The bill would require the director of the Governor's Office of Homeland Security to submit a report making recommendations regarding airport security screening to the Texas Congressional delegation before the end of each even-numbered year. The Office of the Governor indicated the costs associated with implementing the provisions of the bill could be reasonably absorbed within current resources.

Local Government Impact

According to the City of Houston's Airport System, the costs of privatization and the long-term impact on Texas airports is indeterminate. A Transportation Security Administration (TSA) internal report indicated that private screening may be three percent more costly than TSA screening. Texas airports that currently do not have TSA screening may have to apply under the Security Screening Partnerships or risk penalties for not complying. According to the 2010 Texas Airport System Plan, there are 27 commercial service and 265 general aviation airports in Texas, all but 14 of the general aviation airports are publicly owned, which may result in an estimated 250 additional applications being submitted in order to ensure state grant eligibility.

Source Agencies: 301 Office of the Governor, 405 Department of Public Safety, 601

Department of Transportation

LBB Staff: UP, AG, TP