

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION
Revision 1

May 6, 2013

TO: Honorable Dennis Bonnen, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2423** by Martinez, "Mando" (Relating to the creation of regional transit authorities; granting the power of eminent domain; providing authority to issue bonds.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would add Chapter 463 to Subtitle K, Title 6, Transportation Code to authorize the creation of a regional transit authority in a county bordering Mexico and the Gulf of Mexico, and any other county bordering the aforesaid county. The bill would authorize the regional transit authority to acquire property through eminent domain, impose a sales tax, and issue bonds. The bill would authorize the regional transit authority to construct and operate a public transportation system including a light rail mass transit system and operate and enforce high occupancy vehicle lanes (HOV). Based on the applicability criteria, the provisions would apply to Cameron, Hidalgo, and Willacy counties.

The authority would be authorized to build the public transportation system by issuing bonds that would be repayable from sales and use tax revenues to be spent not less than 50 percent on a light rail mass transit system and not more than 50 percent on bus transit.

TxDOT indicated no significant fiscal impact on the department or on the operations of TxDOT is anticipated. TxDOT added that a light rail system or HOV lanes developed by a regional transit authority would impact the department's roadways; however, any additional costs would be accomplished using existing staff and resources.

The Office of the Attorney General indicated that any costs associated with the bill could be absorbed within existing resources.

The Comptroller of Public Accounts indicated there would be some administrative costs associated with the bill; however, it is assumed that any costs could be absorbed within existing resources. No significant impact to the state or on the state's cash flow is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts,
601 Department of Transportation

LBB Staff: UP, KKR, TP, TG, JM