

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 22, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1017 by Paxton (Relating to the funding for and administration of travel and information operations by the Texas Department of Transportation.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1017, As Engrossed: an impact of \$0 through the biennium ending August 31, 2015.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>State Highway Fund</i> 6	Change in Number of State Employees from FY 2013
2014	\$0	0.0
2015	\$3,500,000	(61.0)
2016	\$3,500,000	(61.0)
2017	\$3,500,000	(61.0)
2018	\$3,500,000	(61.0)

The table above assumes operations of 12 travel information centers would be transferred to a local government, nonprofit, or private entity.

Fiscal Analysis

The bill would implement recommendations in the report "Evaluate the Benefits of and Limit the Use of State Highway Funds for Travel Information Centers" in the Legislative Budget Board's *Government Effectiveness and Efficiency Report* submitted to the Eighty-third Texas Legislature, 2013.

The bill would authorize the Texas Department of Transportation (TxDOT) to enter into an agreement with a local government or issue a request for proposals to private or nonprofit entities for the operation of a travel information center. The bill would authorize TxDOT to set rates for commercial advertising space and other services available at a travel information center at a level that generates receipts to cover the cost of travel information center operations. This revenue and donations would be deposited to a separate account in the State Highway Fund dedicated for use in TxDOT travel and information operations.

Methodology

This analysis assumes TxDOT would continue to spend State Highway Funds to maintain the 12 travel information centers it currently operates. According to TxDOT, operations includes items such as salaries, janitorial services, consumable supplies, in-state travel, and uniforms. This analysis assumes it would require one fiscal year to complete the transfer of travel information center operations. TxDOT reports transferring operations for all 12 travel information centers to a local government, private, or nonprofit entity would save \$3.5 million per fiscal year in State Highway Funds. If TxDOT continues to operate any travel information centers rather than transfer their operations, the amount of savings and reduction in full-time equivalents would decrease.

The amount of State Highway Fund revenue that would be generated and authorized for use in funding travel information center operations as the result of selling commercial advertising space, setting rates for other services, or from donations cannot be determined at this time. The amount of revenue would depend upon the retail activities at the centers, the structure of any programs charging for services, and changes made to current operations.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 601 Department of Transportation

LBB Staff: UP, AG, JI, MMe