LEGISLATIVE BUDGET BOARD Austin, Texas

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TO: Honorable Robert Nichols, Chair, Senate Committee on Transportation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1029 by Campbell (Relating to a prohibition on converting a nontolled state highway or segment of the state highway system to a toll project.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to prohibit the Texas Department of Transportation (TxDOT) from operating a nontolled state highway or segment of a state highway as a toll project or transferring a nontolled state highway or segment to another entity for operation as a toll project.

TxDOT states that the agency does not currently plan to convert nontolled state highway lanes to tolled lanes. However, the agency has projects in various stages of development and procurement that would add tolled lanes to existing nontolled state highways to increase traffic capacity. It is assumed the provisions of the bill could be interpreted to prohibit TxDOT from adding tolled lanes to an existing nontolled highway. TxDOT reports that toll revenue financing is a significant funding source for the delivery of projects that would add tolled capacity to existing nontolled highways. It is assumed the provisions of the bill would not result in a cost to TxDOT. However, it is assumed TxDOT would either develop the tolled capacity projects as non-tolled projects by reallocating existing highway planning and construction funds from other projects or halt development of the currently planned projects.

Local Government Impact

No significant fiscal implication to units of local government is anticipated. However, the provisions of the bill could prohibit a regional mobility authority from implementing a highway construction project that would add tolled lanes to an existing nontolled state highway.

Source Agencies: 601 Department of Transportation

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