

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 10, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** SB1632 by Hinojosa (Relating to the financing of transportation projects; authorizing fees.), **Committee Report 1st House, Substituted**

**Because the number of entities requesting financial assistance from the State Infrastructure Bank, the amount of any application fee, and the number and dollar amount of loans that would be sold are unknown, the fiscal implications of the bill cannot be determined at this time.**

The bill would amend various provisions of Subchapter D, Chapter 222, of the Transportation Code relating to the State Infrastructure Bank (SIB). The bill would specify sources of funds that the Texas Transportation Commission (commission) may deposit to the fund, including funds appropriated by the Legislature for that purpose and proceeds from the sale of loans made from money in the SIB as authorized by the bill. The bill would expand the types of qualified projects eligible for SIB financial assistance to include a project of a port authority or navigation district, a freight rail project, and an infrastructure project relating to an intracoastal waterway. The bill would authorize the use of money in the SIB to provide financial assistance to the Texas Department of Transportation (TxDOT); purchase a bond or other obligation of a public entity; provide capitalized interest for debt financing by a public entity; and to pay the cost of issuing a bond. The bill would authorize the commission to require a public entity to pay an application fee and other reasonable amounts for a request for financial assistance provided from the SIB and would require this revenue to be deposited to the State Highway Fund to reimburse administrative costs charged to that fund or to the subaccount in the SIB from which the assistance is requested. The bill would require the Office of the Attorney General (OAG) to review and approve the commission's records authorizing the issuance, execution, and delivery of SIB revenue bonds, credit agreements, and any related contracts authorized under Section 222.075, Transportation Code. The bill would authorize the commission to submit to OAG any financial assistance agreement related to any loans to be sold under the provisions of the bill.

The bill would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or otherwise on September 1, 2013.

Because the number of public entities that would apply for financial assistance and the scope of the associated transportation projects and credit agreements is unknown, the total cost to the state cannot be determined at this time. Because the amount of any application fee for requesting financial assistance and the number of loans that may be sold is unknown, the amount of additional revenue to the SIB and the State Highway Fund cannot be estimated.

Based on the analysis of OAG and TxDOT it is assumed any costs resulting from

requirements of the bill could be absorbed within existing resources.

**Local Government Impact**

It is assumed a local governmental entity would apply for assistance from the SIB and enter into related credit agreements only if it would result in a positive fiscal impact.

**Source Agencies:** 601 Department of Transportation

**LBB Staff:** UP, AG, TG