

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

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 7, 2015**

**TO:** Honorable Joseph Pickett, Chair, House Committee on Transportation

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

**IN RE: HB1738** by Isaac (Relating to the release of certain restrictions on the use of certain highway rights-of-way transferred to a municipality from the Texas Department of Transportation.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend Section 202.021 of the Transportation Code, relating to real property no longer needed for state highway purposes. Under current law, a transfer of Texas Department of Transportation real property to a government entity, without payment, must contain a requirement stating that the property reverts back to the state if the property ceases to be used for public road purposes. The bill would allow a municipality to enter into an agreement with TxDOT for a release of reversion requirement if the municipality agrees to then convey the property to a landowner in exchange for other property with a value at least equal to the transferred property, use the new property for public road purposes, and execute and record a restrictive covenant against the new property granting it to the state should it cease to be used for public road purposes.

Based on the information provided by TxDOT, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources.

**Local Government Impact**

According to the Texas Municipal League, no significant fiscal implication is anticipated.

**Source Agencies:** 601 Department of Transportation

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