

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

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 18, 2017**

**TO:** Honorable Geanie W. Morrison, Chair, House Committee on Transportation

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

**IN RE:** **SB812** by Kolkhorst (Relating to repayment of money contributed by the Texas Department of Transportation or the Texas Transportation Commission for toll projects and to a limitation on toll projects.), **As Engrossed**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB812, As Engrossed: an impact of \$0 through the biennium ending August 31, 2019.

**The bill would result in an indeterminate positive impact to the State depending on the amount of funds contributed by the Department of Transportation for participation in the costs of local or private toll projects and the terms and conditions for the repayment of those funds.**

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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue (Loss) from State Highway Fund</b>
2018	6 (\$1,940,620)
2019	6 (\$1,957,063)
2020	6 (\$1,973,507)
2021	6 (\$1,996,169)
2022	6 (\$2,036,396)

## **Fiscal Analysis**

The bill would amend the Transportation Code to require the Texas Transportation Commission (TTC) to require the repayment of any money spent by the Texas Department of Transportation (TxDOT) for participation in the costs of a toll facility of a public or private entity. The bill would require a local toll project entity (including a regional tollway authority, a regional mobility authority, and a county toll road authority) to repay TxDOT any money contributed by TxDOT as participation in the cost of the entity's toll projects. The changes in law made by the bill would apply only to a loan, grant, or other contribution made by TxDOT or TTC on or after the effective date of the bill.

The bill would amend Chapter 228 of the Transportation Code to prohibit TxDOT from operating any part of State Highway 255 in Webb County as a toll project.

The bill would take effect on September 1, 2017.

## **Methodology**

The TTC is currently authorized, but not required, to require the repayment of money contributed by TxDOT for participation in the costs of a public or private toll project. If required by TTC, money repaid to TxDOT is required to be deposited to the fund from which the expenditure was made. Based on the information provided by TxDOT, it is assumed requiring the repayment of money contributed by TxDOT to a toll project entity would result in a positive impact to transportation funding. Because the amount of money that may be contributed by TxDOT on or after the effective date of the bill and the terms and conditions established by the TTC for repayment of that money is not known, the revenue gain to the State from any amounts required to be repaid to TxDOT cannot be estimated.

TxDOT currently operates State Highway 255 as a toll project. TxDOT reports that there is no debt on the facility. Pursuant to Chapter 228 of the Transportation Code, toll revenue from the project is deposited to the State Highway Fund (SHF). For the purpose of this analysis, it is assumed TxDOT would cease toll collection on the project beginning in fiscal year 2018 pursuant to the enactment of the legislation. Based on the analysis of TxDOT, it is assumed the bill would result in a revenue loss to the SHF of approximately \$2.0 million each fiscal year beginning in fiscal year 2018 and continuing beyond fiscal year 2022. Based on LBB's analysis of information provided by TxDOT, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within the agency's current resources.

## **Local Government Impact**

According to information provided by the Alamo Regional Mobility Authority, Cameron County Regional Mobility Authority, Camino Real Regional Mobility Authority, Central Texas Regional Mobility Authority, Grayson County Regional Mobility Authority, North East Texas Regional Mobility Authority, and Webb County-City of Laredo Regional Mobility Authority, the bill would have a negative fiscal impact to local toll project entities due to the prohibition of grants from state funds. Without additional grant aid, local toll project entities would likely see a decrease in revenue, which could result in increased overall project costs.

**Source Agencies:** 601 Department of Transportation

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