

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 26, 2019**

**TO:** Honorable Terry Canales, Chair, House Committee on Transportation

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB899** by Israel (relating to bonds issued by certain metropolitan rapid transit authorities.), **Committee Report 1st House, Substituted**

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

The bill would amend the Transportation Code relating to the terms of bonds issued by certain metropolitan rapid transit authorities.

**Local Government Impact**

According to the Capital Metropolitan Transit Authority, the bill would result in significant savings as it would enable the authority to own rather than lease facilities. Financing the construction of large facilities is more cost effective than leasing or saving the capital for a number of years and would result in the authority retaining the residual asset value of any owned facility, likely to be tens of millions of dollars, as well as annual cash flow savings over the life of the facility following repayment of the loan.

**Source Agencies:** 601 Department of Transportation, 352 Bond Review Board

**LBB Staff:** WP, GP, JGAn, SD