

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

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

**March 18, 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.), **As Introduced**

**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 (CapMetro), the bill would result in a significant, positive fiscal impact for the authority. The provisions of the bill would allow CapMetro to purchase facilities, rather than lease them, and this purchase would result in savings on both a cash-flow basis and a residual asset basis. Using as an example a proposed paratransit operations and maintenance project, financed over 15 years or leased over 20 years, the bill would result in \$20,583,609 in cash flow savings and a further \$121,402,089 in residual assets compared to a leasing alternative.

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

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