

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

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

**April 8, 2019**

**TO:** Honorable Dustin Burrows, Chair, House Committee on Ways & Means

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

**IN RE: HB3258** by Minjarez (Relating to an authorization to increase the sales and use tax collected in an advanced transportation district of a metropolitan rapid transit authority.),  
**As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend the Transportation Code to provide authority for a rapid transit authority that contains an advanced transportation district (ATD) to increase the district's sales and use tax rate by any rate that is an increment of one-eighth of one percent, not to exceed one-half of one percent. An election held in the district would be required.

According to the Secretary of State, the bill would have no significant fiscal impact. Texas does not have a significant number of mass transit authorities. The office does not anticipate a high volume of petitions to review and does not foresee that it would need to hire additional staff or resources to complete this project.

According to the Department of Transportation, no fiscal impact to the agency is anticipated.

**Local Government Impact**

According to the Texas Association of Counties, the bill would not have a significant fiscal impact to counties.

According to CPA, the San Antonio ATD is the only district in the state where a sales and use tax rate is imposed by a rapid transit authority. The current rate in the district is one-fourth of one percent. The office indicates that a sales tax increase at the authorized maximum rate of 0.5 percent would yield approximately \$155 million in revenue for the district in the first full year after adoption.

**Source Agencies:**        304 Comptroller of Public Accounts, 307 Secretary of State, 601  
   Department of Transportation

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