

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 3, 2021

TO: Honorable Chris Paddie, Chair, House Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB507 by Nichols (Relating to an accommodation process authorizing the use of state highway rights-of-way by broadband-only providers.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to require the Texas Transportation Commission by rule to establish an accommodation process that authorizes broadband-only service providers to use state highway rights-of-way for broadband facilities installations, additions and maintenance, adjustments or relocations, and retention of existing facilities within the rights-of-way.

Based on the information provided by the Texas Department of Transportation, it is assumed implementation of the accommodation process could be accomplished within the agency's existing resources. TxDOT reports that implementation of the bill would allow broadband-only providers the right to access and use state highway rights-of-way through TxDOT's accommodation process without payment of a fair market lease to TxDOT, which would be required of broadband-only providers under current law. It is assumed the potential loss of lease revenue that may result from the accommodation process required by the bill would not represent a significant fiscal impact to State revenue.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 601 Department of Transportation

LBB Staff: JMc, SMAT, AAL, MB, TG