

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 28, 2025

TO: Honorable Tom Craddick, Chair, House Committee on Transportation

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3019 by Cain (Relating to the authority of certain metropolitan rapid transit authorities and related entities to request and receive federal funds.), **As Introduced**

No significant fiscal implication to the State is anticipated.

This bill would amend the Transportation Code to require certain rapid transit authorities and local entities to obtain approval from the governor before applying for or using federal funds for light rail transit systems. The bill would apply to any rapid transit authority confirmed before July 1st, 1985, in which the principal municipality had a population of less than 850,000 at the time of the authority's creation. The bill would also apply to any local government corporation created under Chapter 431 of the Transportation Code, which pertains to local government corporations created to develop and finance transportation projects. The bill would also apply to any local government corporation created under Chapter 394 of the Local Government Code, which pertains to local government corporations that promote the development of housing and infrastructure development.

In deciding whether to grant approval, the governor would be required to consider:

- Whether the principal municipality has taken action to address public health and safety issues impacting both individuals experiencing homelessness and citizens;
- Whether the principal municipality has enforced voter-approved restrictions on camping in public spaces; and
- Whether the request would compete with similar requests from other entities in Texas.

The governor could request an opinion from the attorney general on the municipality's compliance with the provisions related to voter-approved restrictions.

It is assumed that any state costs associated with the bill could be absorbed using existing resources.

Local Government Impact

To the extent that the governor did not approve a local entity's request for federal funding (including capital investments grant requests) there could be a loss of federal funding to that entity. Any specific impact on local entities cannot be determined due to insufficient data on the exact dollar amounts any entities would have received in federal funds for this purpose.

Source Agencies: 300 Trusted Programs Within the Office of the Governor, 302 Office of the Attorney General, 601 Department of Transportation

LBB Staff: JMc, AAL, THO, NAz, BC, CWi