

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

**FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION**

**April 25, 2025**

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

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB5346** by Metcalf (Relating to the cessation of tolls by toll project entities in certain circumstances.), **As Introduced**

**Because the number of toll projects that could become part of the state highway system and the costs to operate and maintain these projects is unknown, the potential increased cost to the State to maintain these additional projects cannot be determined.**

The bill would require a toll project of a toll project entity, including the Texas Department of Transportation (TxDOT), to become part of the state highway system to be maintained by the Texas Transportation Commission without tolls when the costs of acquisition and construction of the project have been paid and either (1) all bonds and bond interest payable from or secured by the project's revenue, or (2) a sufficient amount for payment of all bonds to maturity has been set aside by the issuer. The bill would authorize a toll project entity to extend the toll cessation date of toll project by five years if the extension is approved by a majority of votes cast in an election held in the territory of the toll project entity or, for a TxDOT toll project, in each county in which the toll project is located. The bill would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or, otherwise, on September 1, 2025.

The provisions of the bill would apply to TxDOT and local toll project entities, including regional tollway authorities, regional mobility authorities, and counties. Because the number of applicable toll projects that could become part of the state highway system and the costs to operate and maintain these projects is unknown, the potential increased cost to the State to maintain these additional projects cannot be determined at this time.

Based on the information provided by TxDOT, it is assumed the costs to maintain additional projects as part of the state highway system would be significant.

**Local Government Impact**

It is assumed implementation of the bill would result in a negative impact to a local toll project entity's ability to secure debt financing for construction and reconstruction of transportation projects.

**Source Agencies:** 601 Department of Transportation

**LBB Staff:** JMc, AAL, GDZ, TG