

SUBJECT:	Requiring a study on using municipal impact fees for roadway facilities
COMMITTEE:	Transportation — committee substitute recommended
VOTE:	<p>11 ayes — Canales, Raney, Ashby, Davis, Gámez, Caroline Harris, Lozano, Lujan, Ordaz, Perez, Romero</p> <p>0 nays</p> <p>2 absent — Landgraf, Patterson</p>
WITNESSES:	<p>For — Terri Hall, Texas TURF, Texans for Toll-free Highways (<i>Registered, but did not testify</i>: Angela Smith, Fredericksburg Tea Party; Bill Kelly, Mayor’s Office, City of Houston; Byron Schirmbeck, Texas Campaign for Liberty; and 7 individuals)</p> <p>Against — None</p> <p>On — (<i>Registered, but did not testify</i>: Brianne Glover, Texas A&M Transportation Institute; Lance Simmons, Texas Department of Transportation; Shawn Hall Lecuona, The Voice of Justice and of Consanguinity)</p>
BACKGROUND:	Some have suggested that a study on the feasibility of municipal impact fees to fund road construction would equip cities with information on how to encourage transportation infrastructure development.
DIGEST:	<p>CSHB 2934 would require the Texas Department of Transportation (TxDOT), in consultation with the Texas A&M Transportation Institute, to conduct a study to determine the feasibility of using municipal impact fees to pay for roadway facilities necessary due to municipal development.</p> <p>In conducting the study, TxDOT would have to consider:</p> <ul style="list-style-type: none">• the roadway facility needs of municipalities;• the amount of debt incurred by municipalities for roadway

facilities;

- the practicability of adopting impact fees for roadway facilities in a municipality's roadway plan;
- the effects of impact fees on local transportation needs;
- the effects of impact fees on municipal debt; and
- the practicability and potential effects of remitting five percent of municipal impact fees to TxDOT for the construction and maintenance of state highways attributable to municipal development.

Based on the study's results, TxDOT would determine:

- the population threshold for which municipal impact fees for roadway facilities was administratively feasible;
- alternatives to municipal impact fees in municipalities where the fees were not feasible; and
- the extent to which impact fees would alleviate municipal debt.

TxDOT would be required to provide these determinations and other study results to the Legislature by September 1, 2024.

CSHB 2934 would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2023.