



## **INCREASE TRANSPORTATION FUNDING**

**Texas requires additional infrastructure and transportation funding for mobility improvements, but faces a tremendous gap from current sources.**

**BACKGROUND:** Transportation infrastructure is the backbone of our economy and impacts many aspects of our quality of life. The state's growing population means more wear and tear on roads, greater traffic congestion, clogged border crossings, deficient rural roads, and unsafe bridges. Federal, state, and local funding sources required to build and maintain our transportation system are inadequate, rapidly eroding in value, and politically at risk. The time has come to allow communities the option to generate additional funding locally for transportation projects to help meet our increasing mobility needs.

### **LEGISLATIVE ACTION:**

**Greater Accountability and Transparency for TxDOT** – In an effort to promote a direction for transportation that is based upon transparency, accountability and efficiency in order to improve mobility and restore public faith in the management of our state's transportation infrastructure, sound business practices such as management auditing, financial reporting, and codes of ethics should be adopted in conjunction with the TxDOT Sunset bill.

**Adopt Enabling Legislation for Local Option** – With significant shortfalls in available public funding for transportation projects at all levels, more financing options are needed. Enabling legislation should be developed that would allow individual counties or groups of counties to choose from a broad range of available options to generate new funding for transportation projects, specifically benefitting the local community and/or region.

**Stop Diversions** - Good public policy and government transparency suggest that highway user fee and tax revenue should be used to fund highway construction, maintenance, and support activities. New legislative financial obligations on State Highway Fund 006 that are not directly related to transportation should be stopped. We recommend that \$200 - \$250 million of highway user fee and tax revenue be redirected from the General Revenue Fund to the Texas Mobility Fund.

**Adopt Enabling Legislation for Proposition 12** - Proposition 12 was adopted by Texas voters in 2005 and allows the Legislature to authorize the Texas Transportation Commission to issue up to \$5 billion in general obligation bonds for highway improvement projects with repayment of the bonds from the State's General Revenue Fund. Enabling legislation is needed to make statutory changes to the Government Code and implement this much needed bonding capacity.

**Identify and Appropriate Resources to Rail Relocation Fund** - Moving freight rail traffic out of center cities in Texas' metropolitan areas will improve mobility. The Texas Legislature should identify an appropriate revenue source for rail relocation and make appropriations to the Rail Relocation Fund. Highway user fees and taxes are not an appropriate revenue source for rail relocation.