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RESOLUTION IN SUPPORT OF A CONSTITUTIONAL AMENDMENT FOR INCREASED STATE FUNDING FOR TRANSPORTATION

WHEREAS the 83rd Texas Legislature passed historic legislation proposing a constitutional amendment on the November 4, 2014 state ballot affecting the state's roads, highways, and bridges; and

WHEREAS this is "A constitutional amendment to provide for the transfer of certain general revenue to the economic stabilization fund and to the state highway fund and for the dedication of the revenue transferred to the state highway fund"; and

WHEREAS this proposal will allow revenue transferred to the state highway fund to be used only for developing public roadways, other than toll roads; and

WHEREAS this would require that any funds transferred to the state highway fund be allocated by the Texas Department of Transportation consistent with existing formulas to ensure the entire state benefits from this additional funding; and

WHEREAS the proposed amendment will aid in maintaining the current infrastructure and will ease congestion by funding new projects for added capacity without any new or increased taxes or fees; and

WHEREAS a strong transportation system is fundamental to Texas' quality of life and economic vitality, attracting new businesses and generating new jobs; and

WHEREAS state transportation funding over the past several years has been supplemented by bond programs and those bond programs are now exhausted and have resulted in a significant level of debt for Texas; and

WHEREAS the current state budget includes approximately \$5 billion per year in construction funding and will, based on current revenue



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projections, drop to only \$2.5 billion the available funds for construction for the next biennium; and

WHEREAS according to the latest report of the 2030 Commission, approximately \$6.1 billion per year in construction funding is needed to achieve “worst possible” conditions and \$9.5 billion per year is needed to achieve “minimally competitive” conditions; and

WHEREAS the proposed amendment would result in an estimated \$1.4 billion per year for the state highway fund; and

WHEREAS while the proposed amendment would not fully fund the state’s overall transportation needs, it would be a key step toward securing critical funding for transportation projects in Texas;

THEREFORE BE IT RESOLVED, that the (INSERT NAME OF SUPPORTING ORGANIZATION) supports the proposed amendment to address Texas’ transportation infrastructure needs on the November 4, 2014 ballot.

ADOPTED THIS (INSERT DATE) DAY OF (INSERT MONTH) 2014 BY THE GOVERNING BODY OF THE (INSERT NAME OF SUPPORTING ORGANIZATION).

(INSERT NAME)
2014 (INSERT TITLE)

(INSERT NAME)
2014 (INSERT TITLE)



from operational efficiencies, cost reductions, or cost savings, but could not reduce the amount of funding available for transportation projects.

The legislation also calls for the Lieutenant Governor and the Speaker of the House and to appoint five Senate members and five House members to a select committee to determine a "sufficient balance" of the ESF for a state fiscal biennium. In determining such a balance, the committee will consider the history of Fund balances; the history of transfers to the Fund; estimated Fund balances during that fiscal biennium; estimated transfers to the Fund to occur during that fiscal biennium; information available to the committee regarding state highway congestion and funding demands; and any other information requested by the committee regarding the state's financial condition.

Does this solve the transportation funding problem in Texas?

The constitutional amendment would provide significant progress in addressing the state's unmet transportation needs by providing \$1.4 billion in the first year alone. As oil and gas production in Texas continues to grow, the amount of funding dedicated to transportation will also increase. However, this amendment alone does not "solve" Texas' transportation funding challenge. Experts say Texas has at least \$5 billion in unmet transportation needs each year. Even with the passage of this ballot proposition, the state still faces a significant funding gap for transportation infrastructure.