Transportation 101: Orientation for Legislators and Staff

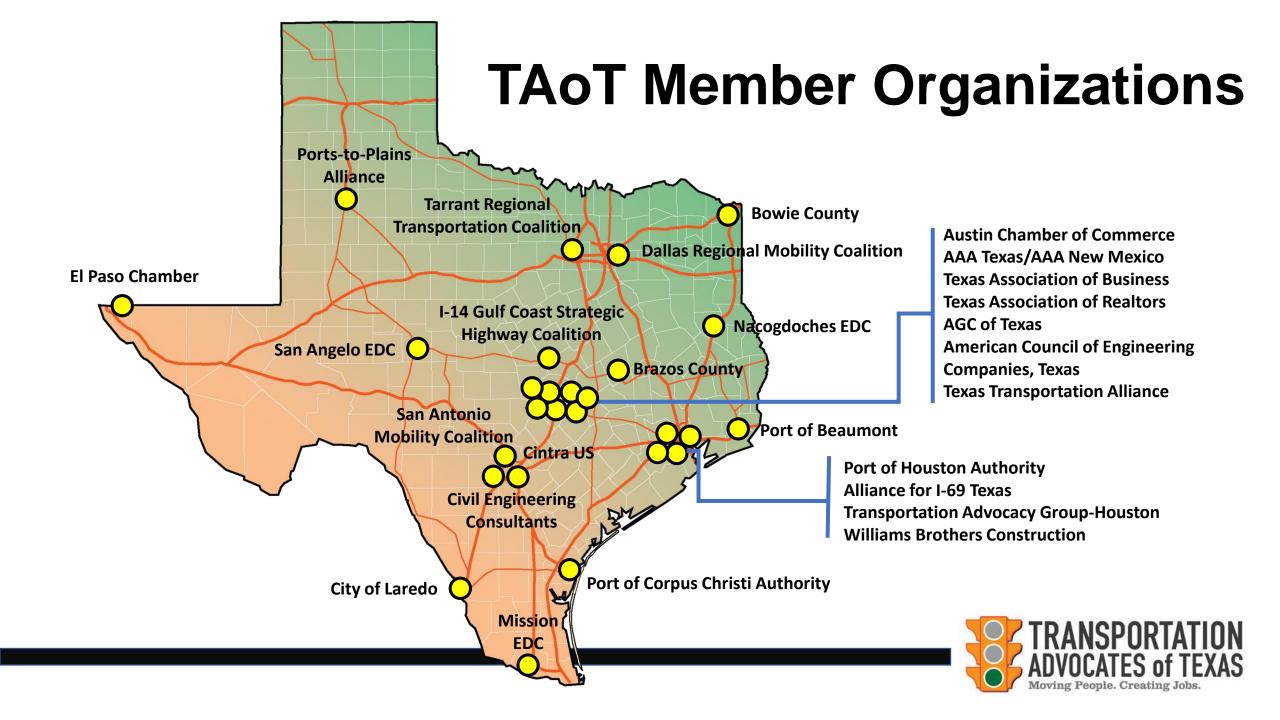
Brandi Bird, Dallas Regional Mobility Coalition



Who is TAoT?

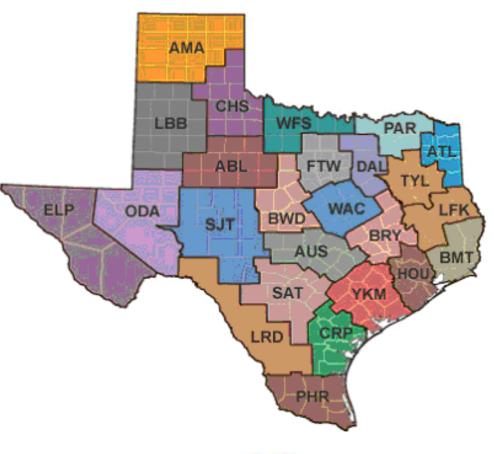
- Transportation Advocates of Texas was created in 2010 to bring together advocates from around the state to support additional resources for transportation.
- Made up of advocacy groups, industry groups, cities, counties, chambers all supporting one mission- to increase funding for transportation
- Can serve as a resource for you on transportation policy issues or questions





State Agency: TxDOT

- The Texas Department of Transportation is the state agency responsible for building and maintaining the transportation system in Texas.
- There are 25 TxDOT Districts and a District Engineer who leads each district.
- TxDOT is governed by the Texas Transportation Commission, which is made up of 5 Gubernatorial appointees.





Local Agencies: Metropolitan Planning Organizations

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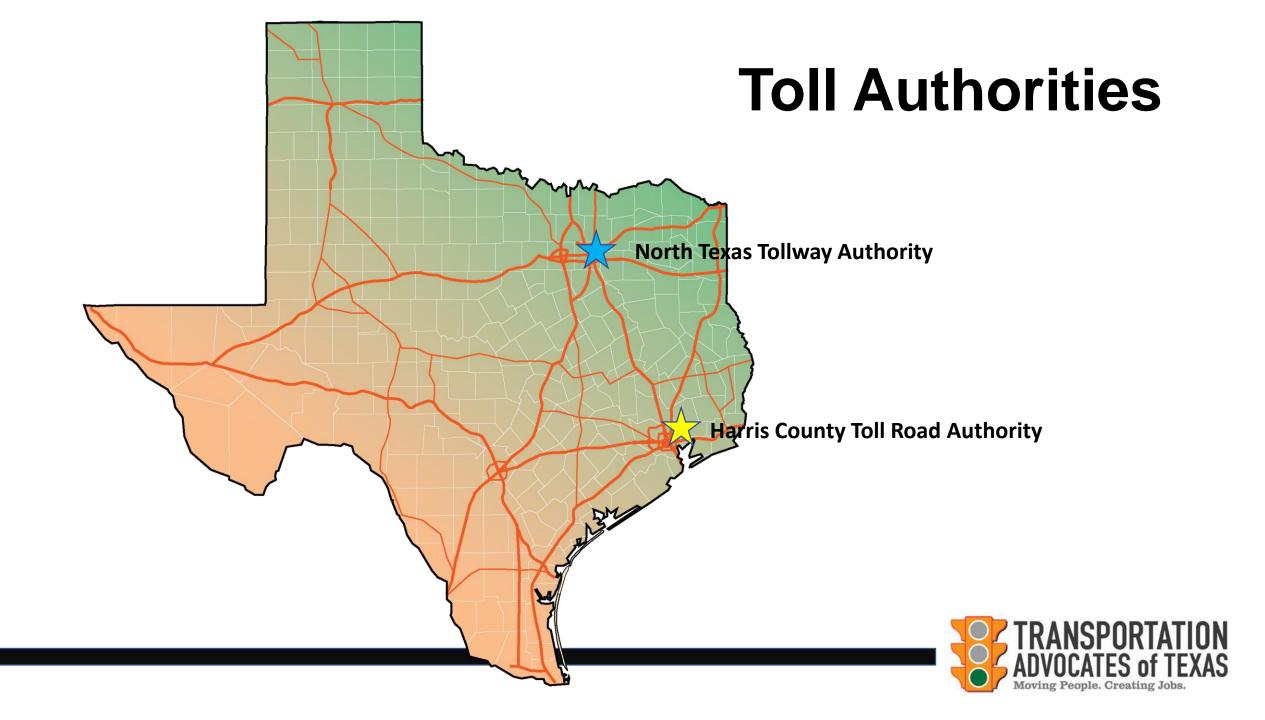
There are 24 MPOs in Texas

Abilene Amarillo Austin Beaumont-Port Arthur Brownsville Bryan-College Station Corpus Christi Dallas-Fort Worth (NCTCOG) El Paso Harlingen-San Benito Hidalgo County Houston-Galveston (HGAC)

Killeen-Temple Laredo Longview Lubbock Permian Basin San Angelo Alamo Area Sherman-Denison Texarkana Tyler Area Victoria Waco



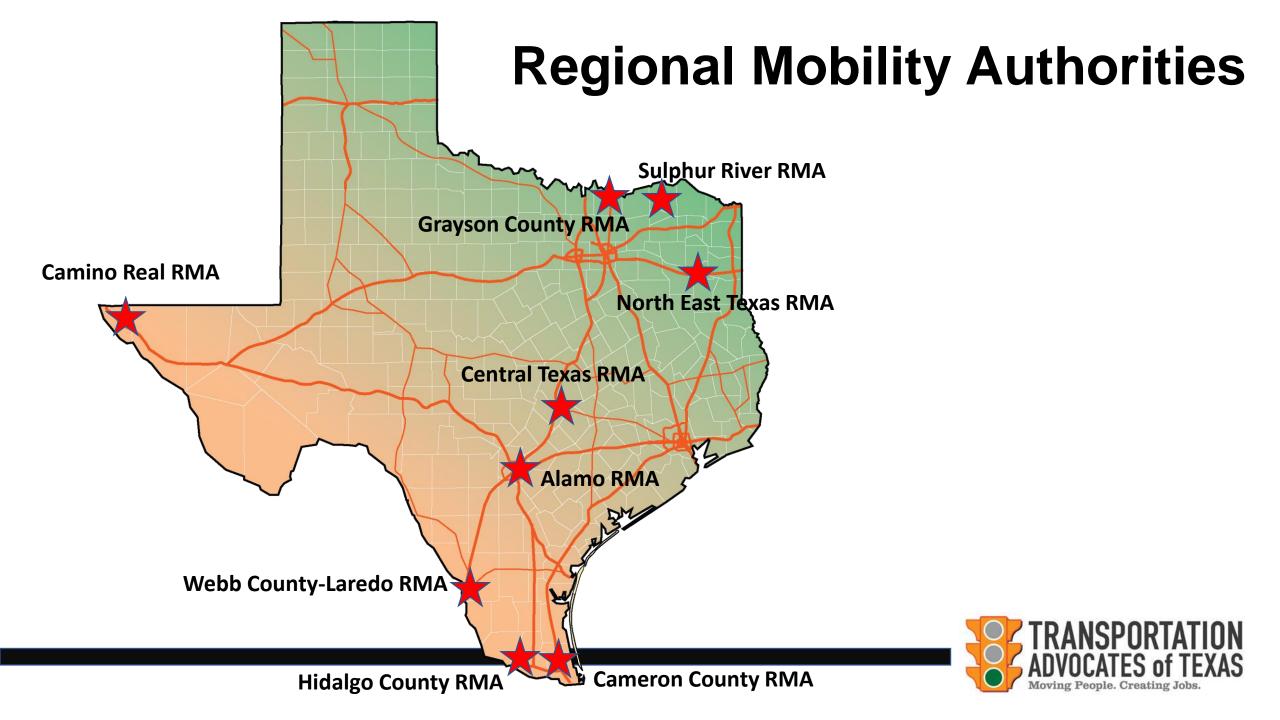




Overview of Regional Mobility Authorities (RMAs)

Mike Heiligenstein, Executive Director Central Texas Regional Mobility Authority





The Central Texas Regional Mobility Authority Story



RMA

\$373 M

\$524 M

\$ 86 M

\$260 M

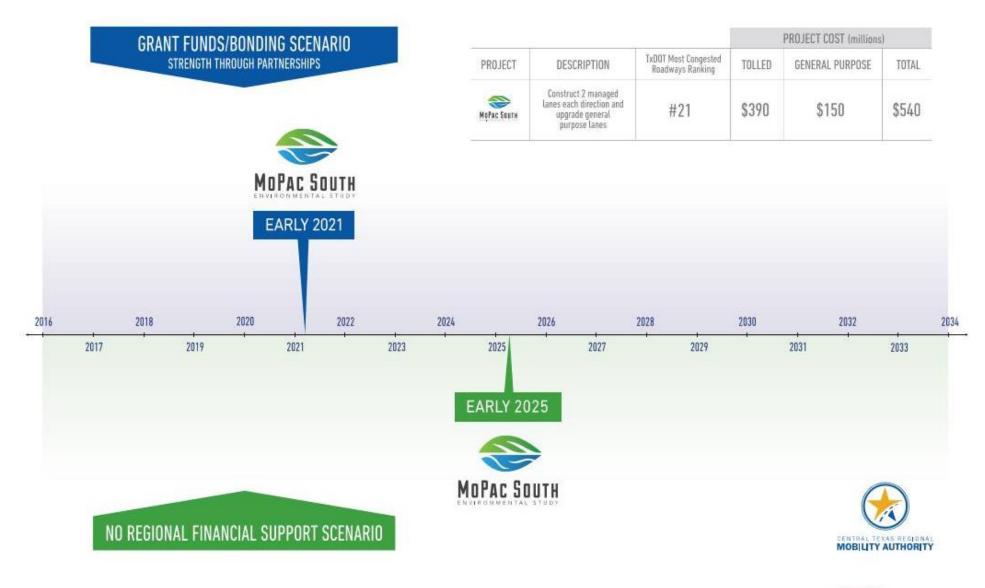
\$1.24 B (4)

RMA

\$ 2.70 B (4)

OPEN TO TRAFFIC / UNDER CONSTRUCTION UNDER DEVELOPMENT TPC **MPO/TxDOT TPC** (1) **MPO/TxDOT RMA** Phase I 183A \$349 M \$ 65 M \$224 M \$500 M \$127 M (5) TOLL \$ 60 M NORTI 290 \$402 M \$127 M \$275 M TOLL \$540 M \$ 16 M MoPac South 71 \$140 M \$ 80 M \$ 60 M Phase III (130 Dir Connect) TOLL 290 183 \$127 M \$ 41 M (5) \$743 M \$147 M \$596 M TOLL TOLL SOUTH Phase III (Extension) TBD 183A 45 \$109 M \$ 29 M \$ 20 M \$260 M TOLL TOLL \$ 60 M System EXPRES! \$1.42 B \$233 M **SUB TOTAL <u>\$184 M</u>** (3) \$ 70 M <u>\$163 M (2)</u> TOLL **MPO/TxDOT** TPC **SUB TOTAL** \$1.98 B \$518 M (3) \$1.46 B (4) \$3.40 B TOTAL \$702 M (3) (1) - TPC – Total Project Cost (2) – Includes \$130 M loan from MPO (3) – Grant money provided by MPO/TxDOT This represents nearly 5x leveraging of the region's funds to deliver (4) - CTRMA Obligations (includes \$180 M in loans from TxDOT) expedited infrastructure

(5) - Non-tolled elements funded by TxDOT







MOBILITY AUTHORITY Toll and Non-Toll Facts

	183A	290	183
	183A	290 East (Manor Expressway)	183 South (Bergstrom Expressway)
Description	Three toll lanes in each direction	Three toll lanes and two to three non-toll lanes in each direction	Three toll lanes and two to three non-toll lanes in each direction
Centerline Miles	11.6	6.2	7.2
Toll Lane Miles	73	43	48
Non-Toll Lane Miles	33	38	43
Toll Lane Miles %	69%	53%	53%
Non-Toll Lane Miles %	31%	47%	47%
Total Project Cost (TPC) (Millions)	\$349	\$402	\$743
Toll Cost Incl. in TPC (Millions)	\$206	\$257	\$475
Toll Cost %	59%	64%	64%
Non-Toll Cost Incl. in TPC (Millions)	\$143	\$145	\$267
Non-Toll Cost %	41%	36%	36%
Design Build/Contractor Cost Incl. in TPC (Millions)	\$254	\$268	\$582



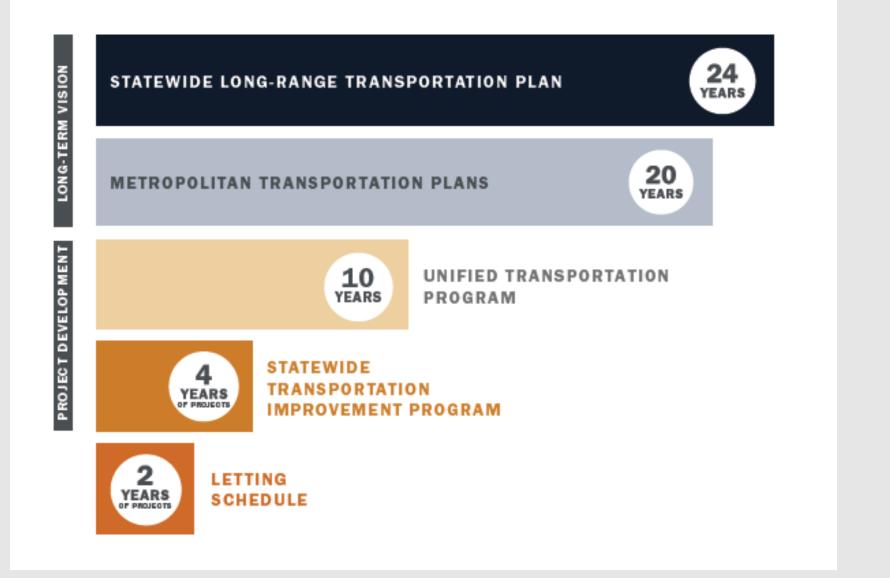
TxDOT Funding Sources and the Unified Transportation Program (UTP)

Marc Williams, Deputy Executive Director TxDOT

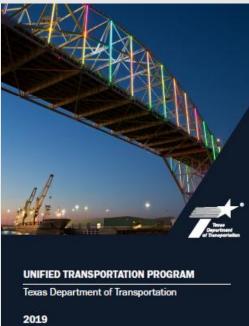


Promote safety Champion a culture of safety for drivers, passengers, and our employees.	Focus on the customer People are at the center of everything we do.	Foster stewardship Ensure efficient use of state resources.	Optimize system performance Develop and operate an integrated transportation system that provides reliable and accessible mobility and enables economic growth.
Preserve our assets Deliver preventive maintenance for TxDOT's system and capital assets to protect our investments.	Deliver the right projects Implement effective planning and forecasting processes that deliver the right projects on-time and on budget.	Value our employees Respect and care for the well- being and development of our employees.	Optimize System Deliver the Right Projects Deliver the Right Projects Promote Salety. Preserve out sale Dereign and operate an integrated transportation system that provides reliable and soccessible mobility and enables economic growth. Deliver the Right Projects on the outsource. Promote Salety. Preserve out sale Dereign and operate an integrated transportation system that provides reliable and soccessible mobility and enables economic growth. Deliver the Right Projects on the outsource. Preserve out sale Operationation system that provides reliable and no socget. Deliver the Right Projects on the outsource. Preserve out sale Deliver preventive m for thorard salety. Deliver the Right Projects on the outsource. Preserve out sale Operationation system that provides reliable and on budget. Deliver the Right Projects on the outsource. Preserve out sale Deliver preventive m for thorard salety out sal

TxDOT Planning and Programming Documents

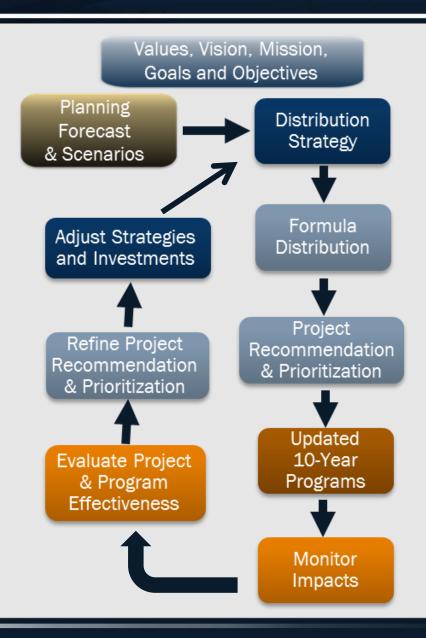


- The UTP is the Texas Department of Transportation's (TxDOT's) 10-year plan that guides the development of transportation projects across the state.
- Organized into 12 funding categories that each address a specific type of work, the plan authorizes the distribution of transportation dollars expected to be available over the next 10 years (see slide 5).
- In addition to highway projects, the UTP also addresses public transportation, maritime, aviation and rail programs, as well as a section on freight and international trade.
- TxDOT works with elected officials, local planning organizations and the public to select and fund the state's highest priority transportation projects.
- The production of the UTP is required by Texas state law, and it must be approved by a vote of the Texas Transportation Commission and published each year.
- The UTP does not guarantee that a project will be built, but it authorizes TxDOT and other partnering agencies to begin preparing them for construction.



UTP Development and Update Cycle

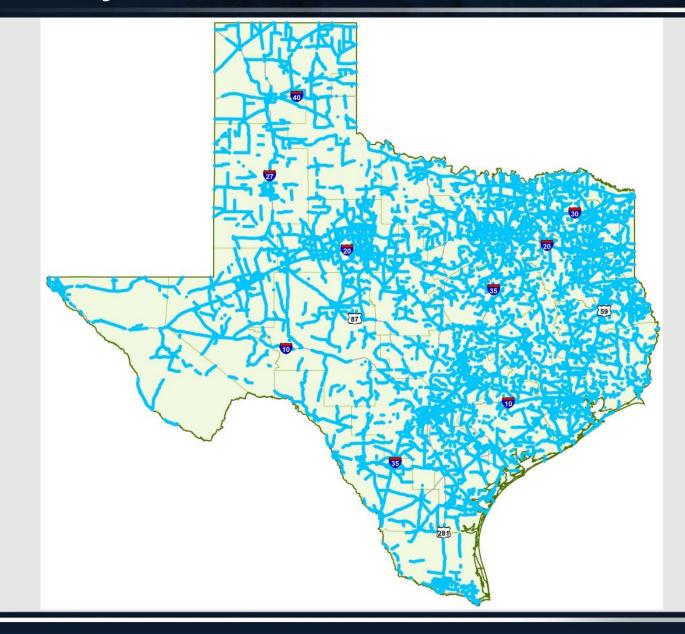
- Planning cash flow forecast
- Planning target distribution by category, TxDOT district and Metropolitan Planning Organizations (MPOs)
- Priority ranking of projects
- Project selection
- Outreach and public involvement
- Commission adoption of the UTP
- Publication of the UTP document
- Ongoing portfolio management



17

FUND DEFINITIONS	12 FUNDING CATEGORIES FEDERAL STATE OTHER STATE FUNDS & LOCAL FUNDS
FEDERAL FUNDS	1 PREVENTIVE MAINTENANCE AND REHAB
APPROPRIATED BY CONGRESS THROUGH THE FEDERAL	2 METRO AND URBAN AREA CORRIDORS
IIGHWAY TRUST FUND	3 NON-TRADITIONALLY FUNDED PROJECTS
TATE FUNDS	4 STATEWIDE CONNECTIVITY CORRIDORS
PPROPRIATED BY THE TEXAS EGISLATURE THROUGH THE TATE HIGHWAY FUND	5 CONGESTION MITIGATION AND AIR QUALITY*
	6 STRUCTURES REPLACEMENT (BRIDGES)
THER STATE LOCAL FUNDS	7 METROPOLITAN MOBILITY & REHAB*
CLUDES THE TEXAS MOBILITY	8 SAFETY O
IND, BOND REVENUE, DNCESSIONS AND REGIONAL DLL REVENUE, AND LOCAL FUNDS	9 TRANSPORTATION ALTERNATIVES*
SEE REVENOE, AND LOOKE FONDS	10 SUPPLEMENTAL TRANSPORTATION PROJECTS
	11 DISTRICT DISCRETIONARY
CAN INCLUDE STATE/LOCAL FUNDS TO COVER MATCH RÉQUIREMENTS	12 STRATEGIC PRIORITY

All Projects in the 2019 UTP



The 2019 UTP contains planned funding for more than 13,000 projects. All of these projects can be found on TxDOT's Project Tracker.



www.txdot.gov/pt

Transportation Funding: Historical Perspective and the Future

Steven Albright, Director of Government Affairs Associated General Contractors of Texas (AGC)



Funding Need



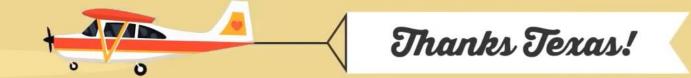
In 2011 it was determined by a committee of transportation planners and business leaders that TxDOT needed an additional \$5 billion a year to keep up with projected population growth and prevent congestion from getting any worse.

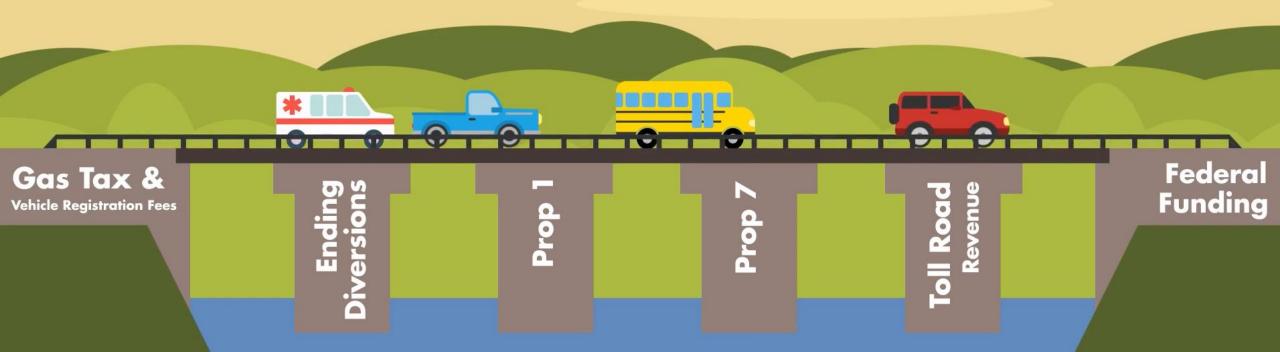


This estimate did not account for improving congestion.



Here's How the Legislature Bridged the Funding Gap





Gas Tax and Vehicle Registration Fee

The Constitution dedicates ³/₄ fuel the motor fuels tax to the state highway fund.



The additional ¼ is dedicated to public education

 \checkmark

Current motor fuel tax is 20 cents per gallon and has not changed since 1991

•••

Annual vehicle registration fee is also dedicated to the state highway fund.



Average Texan pays \$57 in state registration fees and has not changed significantly since 1987



Ending Diversions

The 84th legislature ended the practice of diverting transportation revenue to non-TxDOT functions.

The net result of this commitment was an additional \$650 million annually to the state highway fund.



Proposition 1











Passed by the Legislature in 2013 and approved by over 80% of the voters

Dedicates a portion of the oil and gas severance tax to the State Highway Sufficient balance in ESF must be met before transfer occurs Since it's enactment Prop 1 has deposited **\$5.4B** into the State Highway Fund

Expires in 2025



Proposition 7











Passed by the Legislature in 2015 and approved by over 83% of the voters

Dedicates a portion of the general sales tax and the motor vehicles sales tax to the state highway fund \$2.5 billion in general sales tax dedicated to the state highway fund annually after the state has collected \$28 billion

35% of the MVST dedicated to the state highway fund annually after state has collected \$5 billion. Sales tax dedication ends in 2032. MVST dedication ends in 2029



Toll Road Revenue



In 2001 voters approved the use of state highway fund revenue to be used on toll projects. Toll roads are an optional tool that allows the state and local regions to add capacity to roadways.

Toll revenue helps pay for the finance and maintenance of toll roads.



Federal Funding



Over 1/3 of TxDOTs budget is comprised of federal funds.



For many decades federal funds were comprised of a 18.4 cents per gallon of gasoline and 24.4 cents per gallon of diesel.



The fuel tax has not kept up with demand on the system and now the Federal Highway Trust Fund relies on infusions of general revenue.



In 2019 Texas will be the largest donor state to the Federal Highway Trust Fund yet will have \$939 million redirected to other states.



Unfunded Priority Highway Projects by Region:

Amarillo	12	\$1.027 B	Houston	105	16.938 B
Abilene	8	0.347 B	I-69	151	6.578 B
Austin	5	5.270 B	Laredo	6	0.658 B
Beaumont	9	0.868 B	Corpus C.	15	0.509 B
RGV	39	2.399 B	San Angelo	20	0.354 B
Dallas	30	7.993 B	Fort Worth	9	4.535 B
San Antonio	33	12.897 B	Total:	444	\$60.373 B

Source: Transportation Advocates of Texas (TAoT) based on reports from local Districts, MPOs, and mobility coalitions during 2018. Generally includes added capacity projects over \$10 million not presently included in TxDOT's 10 year (UTP) Plan. Amounts likely to continue to evolve.



2019 Legislative Priorities

- 1. Extend Proposition 1 and Proposition 7 expiration dates. Proposition 1 expires in 2025 and Proposition 7 expires in 2029, 2032.
- 2. Develop a specific formula for defining a sufficient balance for the Economic Stabilization Fund in order to proceed with Proposition 1 funding transfers.
- 3. In an era of rapid growth, protect the ability of TxDOT and MPOs to use all funding mechanisms in order to deliver projects.
- 4. Oppose any efforts to reduce anticipated funding from Propositions 1 or 7. Support payment of Proposition 12 debt service from general revenue.
- 5. Support continued policy of non-diversion of revenue from the State Highway Fund.





A Unified Voice Supporting Investment in Transportation

Transportation Advocates of Texas is a non-profit group made up of local governments, mobility coalitions, port authorities, economic development organizations, regional alliances, state associations and employers dedicated to helping find solutions to the mobility challenges facing Texas. We are committed to providing leadership in the pursuit and maintenance of sustainable financing solutions to fund the infrastructure investments needed to serve our fast growing state.

What We Do

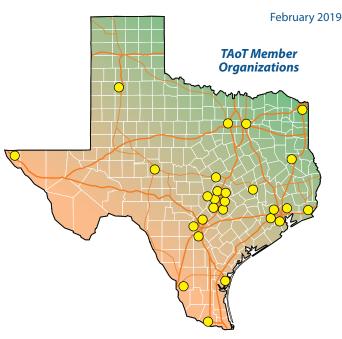
When Transportation Advocates of Texas (TAoT) was organized in 2010, it had a mission – bringing together many advocates from throughout Texas to effectively engage all state legislators and leaders in support of additional resources to address a growing highway funding gap. State leaders answered the call with Proposition 1 in 2013 and Proposition 7 in 2015. Texas voters gave them overwhelming support.

Legislative Advocacy - Keep the Promises

TAoT works with members of the Legislature and state officials to build support for transportation funding. We have assisted in development of significant additional funding sources in recent legislative sessions. In 2017 lawmakers kept the promises made to voters by fully appropriating highway funding as provided in Prop 1 and Prop 7. Unfortunately when the Legislature set up Prop 1 and Prop 7 they included potential termination dates that will cut off funds unless extended by lawmakers. Prop 1 will expire in just five years and Prop 7 a few years later. Allowing these voter-approved dedicated revenues to expire would leave Texas with almost no funding to invest in needed highway capacity improvements. Even more funding will be needed in the years ahead to address growing congestion, safety, air quality, efficiency and freight movement challenges.

Building Public Awareness

Texas' highway network is the backbone of its economy. To improve mobility and adequately fund major transportation system upgrades it is important to have the support of citizens, business leaders and property owners. TAOT members continue working to build a grassroots network to help the public understand that delays in addressing mobility problems inevitably result in more traffic congestion, greater economic losses, missed job opportunities and higher safety risks. Along with public awareness and advocacy, TAOT proudly works to recognize the efforts of those who champion transportation and the vital role it plays in commerce, family life and public safety.



Officers and Board Members

Michael ReevesTAoT Board Chairman
Texas Association of Realtors, Lubbock
Gary BushellChairman-Elect
Alliance for I-69 Texas/I-14 Gulf Coast Strategic Highway Coalition
Anne O'RyanBoard Secretary
AAA Texas/AAA NewMexico
Drew Campbell Vice Chair - Legislative Relations
Dallas Regional Mobility Coalition
Andrea FrenchVice Chair - Communications Transportation Advocacy Group - Houston
Jennifer McEwanVice Chair - Research & Education
Texas Transportation Alliance
Vic Boyer Vice Chair - Membership & Regional Coordination
San Antonio Mobility Coalition
Vic SuhmVice Chair - Financial Management
Tarrant Regional Transportation Coalition
Guy Andrews, San Angelo Economic Development Corp West Texas Central Region
Nancy Berry, Brazos County Commissioner Brazos Valley Region
James Carlow, Bowie County Judge Northeast Texas Region
Kevin Cardoza, Greater El Paso Chamber of Commerce El Paso Region
Chris Fisher, Port of Beaumont Beaumont Region
Matt Geske, Austin Chamber of Commerce Austin Region
John LaRue, Port of Corpus Christi Authority Corpus Christi Region
Alex Meade, Mission Economic Development CorpSouth Texas/Valley Region
Larissa Philpot, Nacogdoches Economic Development Corp East Texas Region
Pete Saenz, Mayor of Laredo Laredo Region
Jeff MoseleyTexas Association of Business
Jennifer WoodardAGC of Texas
Bob Lanham Williams Brothers Construction Co.
Don Durden Civil Engineering Consultants
Patrick RhodeCintra US



www.transportationadvocatesoftexas.org

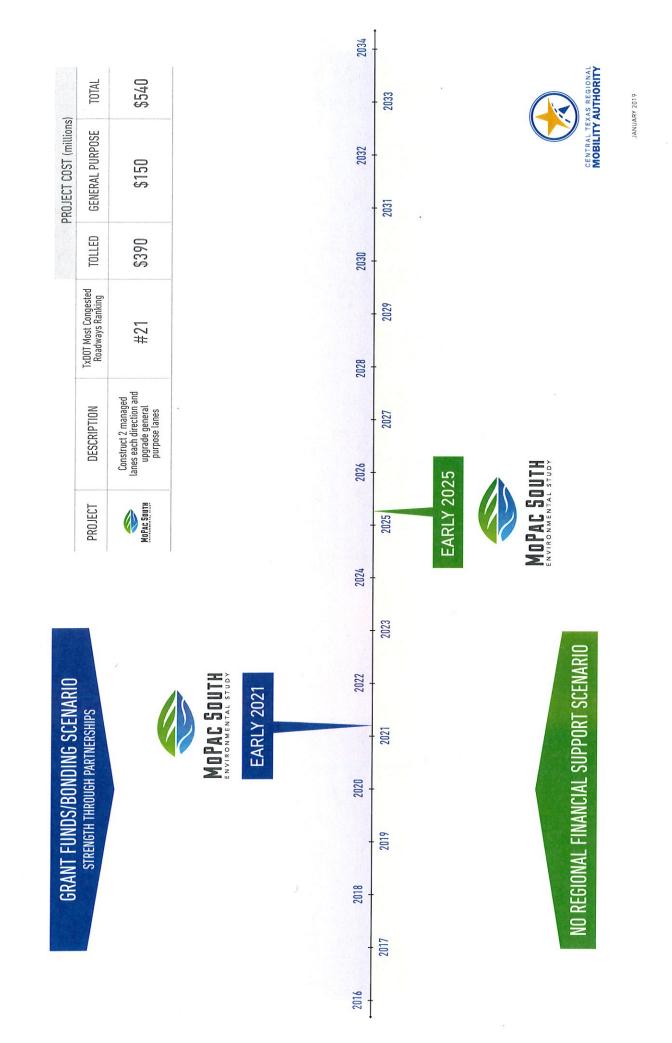
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"If we want a capable and well-maintained 21st-century highway system, it needs to be transformed into some kind of network utility, operated along principles similar to those of the other utilities that we depend on.."

Robert W. Poole, Jr., Rethinking America's Highways

The Cent	tral Tex	The Central Texas Regional		Mobility Authority Story	ty Story		
OPEN .	TO TRAFFIC / UN	OPEN TO TRAFFIC / UNDER CONSTRUCTION	Z		UNDER DEV	UNDER DEVELOPMENT	
	TPC (1)	MPO/TxDOT	RMA	Phase I	TPC	MPO/TxDOT	<u>RMA</u>
	\$349 M	\$ 65 M	\$224 M \$ 60 M	NORTH NORTH	\$500 M	\$127 M (5)	\$373 M
290	\$402 M	\$127 M	\$275 M	1 (>)	\$540 M	¢ 16 M	\$524 M
	\$140 M	\$ 80 M	\$ 60 M	MOPAL SOUTH Phase III (130 Dir Connect))))	- - - -
183 STOLL SOUTH	\$743 M	\$147 M	\$596 M	290 & Toll Phase III (Extension)	\$127 M	\$ 41 M (5)	\$ 86 M
DaT ma 45 1 101 101 101 101 101 101 101 1	\$109 M	\$ 29 M	\$ 20 M \$ 60 M		\$260 M	- S	<u>\$260 M</u>
Zyste	\$233 M	<u>\$ 70 M</u>	<u>\$163 M (2)</u>	SUB TOTAL	<u>\$1.42 B</u>	<mark>\$184 M</mark> ⁽³⁾	<u>\$1.24 B (4)</u>
SUB TOTAL	\$1.98 B	\$518 M (3)	\$1.46 B (4)		TPC	MPO/TxDOT	RMA
 TPC - Total Project Cost Includes \$130 M loan from MPO Grant money provided by MPO/TxDOT CTRMA Obligations (includes \$180 M in loans from TxDOT) 	st from MPO d by MPO/TxDOT roludes \$180 M in lo:	ans from TxDOT)		TOTAL This represents	Ş3.40 B nearly <u>5x levera</u> expedited	TAL \$2.70 B (4) (3) \$2.70 B (4) TAL \$3.40 B (4) This represents nearly <u>5x leveraging</u> of the region's funds to deliver expedited infrastructure	\$ 2.70 B (4) nds to deliver
(5) – Non-tolled elements funded by TxD01	unded by IXDOI						





MOBILITY AUTHORITY Toll and Non-Toll Facts



183A



290 East (Manor Expressway)



183 South (Bergstrom Expressway)

Description	Three toll lanes in each direction	Three toll lanes and two to three non-toll lanes in each direction	Three toll lanes and two to three non-toll lanes in each direction
Centerline Miles	11.6	6.2	7.2
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Non-Toll Cost %	41%	36%	36%
Design Build/Contractor Cost Incl. in TPC (Millions)	\$254	\$268	\$582



FREQUENTLY ASKED QUESTIONS

HOW WILL TOLL ROADS BENEFIT TEXANS?

Toll roads expedite the delivery of new roadways. Without user-fee based financing, a community may have to wait years, even decades, before necessary funding becomes available for a project. The current mobility crisis in Texas is bad for everyone – bad for the environment, for the economy, for public safety, and for quality of life. All new roads, including those that are tolled, give drivers more choices and allow them to spend less time on the road. A more efficient road network also helps with improving air quality. Toll roads will also reduce the threats to public safety now caused by cut-through traffic in neighborhoods. Tolls/user fees provide a financing alternative that does not impact the tax rate and allow projects to be expedited rather than wait for availability of traditional public funding sources.

WHY AREN'T THE FUNDS RAISED BY THE GAS TAX PAYING FOR NEW ROAD CONSTRUCTION?

The Federal government hasn't increased its portion of the gas tax since 1993, and Texas hasn't seen a state gas tax increase since 1991. Gas taxes are based on cents per gallon, not a percentage. Of the state gas tax of 20 cents per gallon, the Texas Constitution requires that five cents be dedicated to supporting public education. The remaining 15 cents per gallon state gas tax has lost nearly half its purchasing power to inflation since 1991. Because the gas tax is set at a static amount, decreases in consumer demand due to people driving less and/or driving more fuel-efficient vehicles will also show up as less revenue. Furthermore, Texas is also a "donor state" at the federal level, which means that it gets less in federal funding than it pays in federal gas taxes. When you factor in the state's robust population growth and the resulting demand on the roadway infrastructure, funding has not kept up with the need for new or expanded roads, thus congestion has gotten worse. Because of this, alternative financing options are considered crucial to funding new projects. Of note, gas tax revenues collected by the state do not always return to the most congested regions. Regional Mobility Authorities use local dollars to meet local needs.

WHAT WAS PROPOSITION 1 AND WHY CAN'T WE USE FUNDS FROM PROPOSITION 1 INSTEAD OF TOLLS TO PAY FOR TRANSPORTATION IMPROVEMENTS?

In November 2014, Texas voters approved a constitutional amendment to provide billions more in reliable transportation funding, known as Proposition 1 (or Prop 1). The amendment authorizes annual disbursements from the state's oil and gas production tax collections to the State Highway Fund. In November 2015, Proposition 7 (Prop 7) was passed, a constitutional amendment to



dedicate portions of revenue from the state's general sales and use tax, as well as from the motor vehicle sales and rental tax to the State Highway Fund for non-tolled projects.

The combined funds from Prop1 and Prop 7 that have been allocated to the Central Texas region total **only** \$1.3 billion over the next ten years. The proposed I-35 improvements alone are estimated to cost \$4.3 billion. There are simply not enough funds to build the critically needed transportation improvements with just Prop 1 and Prop 7 dollars. Tolls/user fees offer an alternative funding source to ensure these important transportation improvements get implemented.

WHAT ABOUT PUBLIC OPPINION TO THE IDEA OF NEW TOLLS?

Raising new revenue is never popular, especially in a time of economic stress. The federal fuel tax has not been raised since 1993 and Texas hasn't seen a state gas tax increase since 1991. However, numerous toll facilities have been approved in the anti-tax environment of recent decades, and opinion polls consistently show that motorists prefer project specific tolls over general taxes and support the expansion of toll roads to improve driver options and more efficient travel times. In one poll, 84 percent of Americans said tolls should be considered as an additional source of transportation revenue on a project-by-project basis. Critics often throw out the term double taxation, but with toll roads, usage is a voluntary, individual decision which differentiates it from a tax. You take the road when you need to use it; it's your choice. It's not a tax, it's a user fee, and if it's business use, it's tax deductible.

WILL "FREE" OR EXISTING ROADS BE CONVERTED TO TOLL ROADS?

No. Texas state law prohibits adding tolls to existing, taxpayer-funded roadways. While many of the new toll roads are to be constructed in existing highway corridors, the amount of existing capacity must be preserved or enhanced. The toll roads will be built in the middle of or alongside the existing roadway, which will remain non-tolled.

ARE CENTRAL TEXANS PAYING TWICE FOR TOLL ROADS?

No. When building a toll facility, there are typically tolled improvements as well as non-tolled improvements needed. Where TxDOT or the MPO has chosen to allocate funding toward these infrastructure improvements, the public funds generated from gas tax sources have been used to cover the cost of the non-tolled improvements. In fact, we have had to bond dollars and generate debt to pay for the non-tolled improvements since the public gas tax funds have not wholly covered the costs of those improvements.



WHY UTILIZE SYSTEM FINANCING RATHER THAN FINANCING EACH PROJECT INDIVIDUALLY?

"System" financing refers to the use of other revenues from one project to help support the financing of others. It is a funding solution that allows a region to accomplish several projects over time. In the case of an enterprise agency such as an RMA, where funding comes solely from revenue generated from tolls and fees, it is a vital tool to implement community adopted plans. While a new project may not actually need revenue from another project, the capital markets clearly want their debt secured as comprehensively as possible. Since the State of Texas provides no backstop for the financing of toll projects over the life of project bonds, this is a critical element to get the best possible bond rating. System financing does not necessarily extend the term of debt with each issuance, it simply creates a financing umbrella for security. Without System financing many of the projects approved by the local communities through their MPOs would not be able to be financed. System financing creates revenue and geographic diversity that actually lowers risk in the analysis of the investment community, much like any enterprise (banking) that is dispersed around a community, region, or state. A negative impact is considered lower on a system than on any one element or facility, thus higher bond ratings and lower interest cost. Lower interest rates result in in the ability to lower toll rates/user fees, which puts money back into the pockets of drivers.

WHY NOT REMOVE TOLLS ONCE THE PROJECTS ARE PAID OFF? IS ROAD MAINTENANCE REALLY THAT EXPENSIVE?

As the state or local communities pay off the debt associated with new toll facilities, toll rates could be lowered or eliminated entirely. But in reality, roads are never really paid off. Use of roadways degrades them, and maintenance is always ongoing. In fact, the cost of maintenance over time can be four times greater than the initial cost of building the road according to some studies. A continuous funding stream is needed to maintain the road, and this can only be paid through taxes or tolls. Because the state's transportation tax revenue barely covers existing highway maintenance, it is difficult for the system to absorb new road maintenance. This challenge is even worse for local areas faced with the prospect of assuming maintenance costs. Additionally, surplus revenue from toll transactions can be used to build and enhance future transportation infrastructure. As regional Metropolitan Planning Organizations (MPOs) add even more projects to their transportation improvement plans, financing must come from some source – either tax or tolls.



WHAT MEASURES ARE IN PLACE TO MINIMIZE CONGESTION ON THE FRONTAGE ROADS SO THAT PEOPLE ARE NOT FORCED TO TAKE TOLL ROADS?

The job of toll entities is to improve the flow of traffic and provide new capacity. Whether it's a toll road or a frontage/access road, our mission is to keep traffic moving. When congestion is heavy, more drivers often choose to use toll roads. When capacity is available on the general purpose lanes (frontage roads), drivers can choose to remain in the free, non-tolled lanes. When toll agencies are implementing projects, we have to follow the Metropolitan Planning Organization's long range plan which includes forecasts for traffic growth 20-30 years into the future to ensure there's more than sufficient capacity to minimize congestion in the non-tolled general purpose lanes as much as possible. In addition, all local, regional and state transportation agencies work together to do their part (roadway construction, signal timing, intersection improvements, ongoing maintenance) to ensure traffic is as free flowing as possible in the non-tolled general purpose lanes.

WHAT OVERSIGHT EXISTS FOR TOLL ROAD ENTITIES?

There is extensive oversight required of toll entities. Numerous audits and reports are generated to help ensure accountability to the regions they serve and to the state of Texas. Many of these reports are required by federal, state and local regulatory entities. In addition, many toll entities provide expansive reporting above and beyond what is required as an additional commitment to transparency. As evidence, Texas A&M Transportation Institute has cited the Central Texas Mobility Authority as a standard for transparency and accountability and encourages others to follow its lead.

DOES THE MOBILITY AUTHORITY OFFER DISCOUNTED TOLL RATES FOR DISABLED VETERANS?

The Board Members and staff of the Central Texas Regional Mobility Authority honor and appreciate the service of the men and woman of our military forces, past and present. State law allows a Texas toll road entity to offer discounted or free tolls for vehicles with a Disabled Veteran, Purple Heart, or Legion of Valor specialty license plate. No state funds have been appropriated to defray the cost of providing this benefit, however, the Mobility Authority's Qualified Veteran Discount Program allows for veterans to receive toll-free passage on several Mobility Authority-operated roads. Program participation is limited to one (1) qualifying vehicle per veteran. To be eligible to participate in the Qualified Veteran Discount Program, the Mobility Authority requires that the vehicle be compliant with the following at the time of the transaction:

- Registered with the State of Texas and Texas Department of Motor Vehicles
- Issued a qualifying specialty plate* and have it properly displayed
- Associated to an electronic toll tag account; and Have no outstanding Mobility Authority toll violations



*Qualifying Texas license plates are disabled veterans and recipients of the Purple Heart, Legion of Valor, and Medal of Honor awards.

In addition, veterans and other beneficiaries may be eligible to have toll charges reimbursed by the U.S. Department of Veteran's Affairs when they use a toll road to travel for care at a Veteran's Administration medical facility. The Beneficiary Travel Benefits program is established and administered by the Veterans Administration.

WHAT IS THE DIFFERENCE BETWEEN EXPRESS LANES AND TRADITIONAL TOLL ROADS?

Express lanes are special lanes separated from the non-tolled general-purpose lanes; often the boundaries are shown with striping and white plastic delineator sticks. Their purpose is to improve your commute experience by providing an express option. This is accomplished through variable toll pricing, which either encourages or discourages use by increasing the toll when traffic is heavy, and decreasing it when it is light. The idea is to have at least one lane that can "express" the driver to their destination, no matter the time of day at a reasonable speed limit. The primary goal of express lanes is not to generate revenue, but keep the express lane traffic free-flowing at reliable speeds for individual cars and express transit buses. This ensures a reliable, non-stop route is available to drivers wishing to bypass congestion for the price of the toll. Public transit buses, registered vanpools and emergency vehicles travel these lanes toll-free. Toll roads, unlike express lanes, are not just designed to bypass congestion. Tolls are a way to pay for the road, while adding new capacity. What traditional toll roads and express lanes have in common is choice – drivers can choose to travel the express lanes for the posted toll price, or use the general-purpose lanes.



AREN'T EXPRESS LANES JUST FOR PEOPLE WHO CAN AFFORD TO PAY FOR THEM?

No. Express lanes benefit all lanes. Numerous studies show that people of all income levels use them, approve of them, and agree they reduce congestion. Tolling provides travelers with a choice. Studies have shown that lower-income individuals face the greatest financial harm when they do not have access to options that can get them to their everyday destinations. Lack of choice can result in lost wages, late fees for day care, or decisions that restrict a person's quality of life that could have been avoided, if they had the option to bypass congestion. To name a few studies:

- According to the <u>U.S. Department of Transportation</u>, a wide range of income groups use the value priced lanes at different levels of frequency. Research from San Jose State University and the University of California, Berkeley shows that low income drivers so use express lanes and are equally as likely to approve of the lanes as high income drivers.
- <u>Studies of express lanes in California</u> have shown that, at any given time, about one-quarter of the vehicles in toll lanes belong to high-income individuals. The remainder belong to low and middle income drivers.
- <u>Based on research conducted in California</u>, certain pricing schemes do not necessarily disadvantage low-income drivers. Over half of commuters with household incomes under \$25,000 a year approved of providing toll lanes.
- <u>A study of Atlanta's I-85 express lanes</u> conducted by the Southern Environmental Law Center concluded *drivers of all income groups share similar opinions of express lanes, enroll in the tolling programs at comparable rates, and on occasion, use the lanes (A Better Inland Empire, 1).*
- According to the Georgia State Road and Toll Way Authority, use of the I-85 express lanes is determined *more by location than by income level.* (A Better Inland Empire, 2). <u>Click here for more.</u>

WHY NOT JUST ADD AN ADDITIONAL FREE LANE TO AN EXISTING ROADWAY INSTEAD OF ADDING AN EXPRESS LANE?

Even if funding was available to construct general purpose lanes, latent traffic demand, or drivers who currently use other routes to avoid congestion, would quickly fill these lanes, and they would become congested and unreliable like the general purpose lanes are today. The approach to solving congestion by simply adding multiple lanes of pavement is not sustainable and has not proven to be effective in managing traffic, promoting transit, or providing a reliable travel time option.

Variably priced Express Lanes (the cost to use the lanes increases and decreases based on real-time demand), provide reliable travel times by ensuring that the same travel speed is maintained, regardless of the time of day or level of congestion. This is why Express Lanes are being



implemented around Texas and other states to manage congestion and provide reliable travel times rather than patching the problem by adding general purpose lane capacity just to face the same challenges in a few years.

CAN TOLL ROAD AUTHORITIES JUST DECIDE IF AND WHERE TOLL ROADS ARE BUILT?

Toll Road Authorities execute regional plans that have been developed by Metropolitan Planning Organizations. In other words, MPOs are planning entities, tolling authorities are implementing authorities. No entity can build roads of regional significance that are not a part of the regional plan. In addition, the MPOs decide what roads will be tolled or not. Based on what financing is available, no road can be tolled without it being in the regional plan specifically as a tolled road.