TRANSPORTATION BASICS

Legal Authority mostly flows from Transportation Code.

- Occupational regulation, like salvage vehicle dealers and the sale or lease of motor vehicles (think Tesla dealerships) are in the Occupations Code
http://www.statutes.legis.state.tx.us/Docs/OC/htm/OC.2301.htm

- Constitution Article 8, Section 7 dedicates certain revenues to construction, operation, maintenance, and policing of State Highway System
http://www.statutes.legis.state.tx.us/Docs/CN/htm/CN.8.htm#8.7-a

- In 2001, Constitution Article 3, Section 49-k created the Texas Mobility Fund http://www.statutes.legis.state.tx.us/Docs/CN/htm/CN.3.htm#3.49-k but HB 122 from last session prohibited new bonds being issued from this fund.
http://www.legis.state.tx.us/BillLookup/History.aspx?LegSess=84R&Bill=HB122

TxDOT is the primary agency

- Appropriated $23 billion for the current biennium & 11,900 FTEs

- TxDOT is in Article VII of the General Appropriations Act (Business and Economic Development)

- Undergoing Sunset review this session. There will be a standalone Sunset bill. These usually go to the substantive committees – Transportation in both houses – but assignment is up to the Leadership. Sunset Commission's key issues/findings:

  o Improve transparency

  o Improve project development process to reduce backlogs

  o Improve contract oversight to deliver projects on time – especially with increase in budget available for projects

  o Improve contract opportunities for disadvantaged businesses

  o Establish clear, measurable results for process improvement

  o Improve oversight and support for the 25 districts (interesting trivia: district headquarters were initially chosen because they were railheads, so highway materials could be easily received. A legislative

effort to reduce the number of district offices several sessions ago ended up increasing the number by one).

- o Think about what to do with the State Aircraft Fleet.

- o Move more crash reports to electronic from paper.

- o Continue TxDOT for 12 years (the standard Sunset span, TxDOT has been reviewed much more frequently in recent years)

- o Improve efforts to increase workforce diversity

- For more information on TxDOT Sunset, until the formal Sunset Report and legislation come out, see our writeup https://tti.tamu.edu/policy/sunset-advisory-commission-action-on-txdot-january-11-2017/

Last session's HB 20 significantly changed the way project planning and programming are done, and therefore, what projects move forward when. According to the Texas Legislative Council,

- "House Bill 20 amends the Transportation Code to require the Texas Transportation Commission to develop and implement a performance-based planning and programming process that includes certain performance metrics and measures. The bill requires each planning organization to develop a 10-year transportation plan and project recommendation criteria and provides for the prioritization and approval of recommended projects by the commission. The bill removes the authorization for the Department of Public Safety to use money in the state highway fund to police the state highway system and administer state laws relating to traffic and safety on public roads and adds certain authorizations and prohibitions regarding the Texas Department of Transportation's use of a design-build contract. The bill establishes a select committee on transportation planning in each house of the legislature."

- This was the subject of much discussion during the interim, which will continue this session.

Other key state agencies in transportation and mobility:

- Department of Motor Vehicles – registration and titling

- Department of Public Safety – licenses and traffic law enforcement

- Department of Insurance – financial responsibility

- Department of Licensing and Regulation – driver's ed, tow truck operators

- For detailed information on what state agencies do and how they are organized, see the Legislative Budget Board's Fiscal Size-Up report
http://www.lbb.state.tx.us/Documents/Publications/Fiscal_SizeUp/Fiscal_SizeUp.pdf

Key local transportation agencies

- Local Toll Entities (examples: NTTA, HCTRA).
Watch for efforts this session to further define if and how toll roads can be built, funded, and expanded.
Our primer: http://tti.tamu.edu/documents/PRC-14-3-F.pdf

- RMAs (examples: CTRMA, Northeast Texas RMA)
Our primer: http://tti.tamu.edu/documents/PRC-15-41-F.pdf

- MPOs: The MPO Primer is our newest product, hot off the press. A detailed report on the MPOs of Texas is coming soon.

- Transit authorities, county and city public works, rural planning organizations, rural transit, ports, airports, freight rail service, passenger rail service…

- We have contact names and numbers for the entities in your districts, let us know if interested.

State transportation has traditionally been **funded** by the three-legged stool of motor fuels taxes, vehicle registration fees, and federal funds, and in recent years has added bonds and debt, tolls, an infrastructure bank, and other financial tools.

- In 2014, voters approved Proposition 1, an amendment to the Constitution that enabled transfers of funds from the Economic Stabilization Fund, also called the Rainy Day Fund.

- In 2015, Prop 7 dedicated portions of the motor vehicle sales and use tax to constructing, maintaining, acquiring right of way, or paying off debt on bonds. The money cannot be used for toll roads.

- For details, see the Legislative Budget Board's "Overview of Transportation Funding and Revenue Sources"
http://www.lbb.state.tx.us/Documents/Publications/Presentation/3287_Overview_Transportation_Funding.pdf

- Do-it-yourself revenue and expense forecasts: http://trends-tti.tamu.edu/