By: Staples

S.C.R. No. 10

## CONCURRENT RESOLUTION

1 WHEREAS, The current federal funding system for 2 transportation does not provide enough flexibility to Texas and 3 other states regarding tools to deliver needed transportation 4 projects faster and more efficiently; and

5 WHEREAS, Federal funding for highway, highway safety, and 6 transit programs is included in a surface transportation bill 7 passed by Congress every six years; the most recent such bill, the 8 Transportation Equity Act for the 21st Century (TEA-21), expired in 9 2003 and was followed by a series of short-term extensions to ensure 10 a steady stream of funding to the states; and

WHEREAS, The 109th Congress is debating legislation to reauthorize TEA-21 to provide federal transportation funding to states over the next six years, and it is critically important to include provisions encompassing Texas' priorities for flexible transportation financing and project delivery; and

16 WHEREAS, These priorities, which could significantly advance 17 the transportation system in Texas, include increased flexibility 18 with regard to design-build contracting, multimodal transportation 19 project environmental review, interstate tolling, toll credit 20 calculation, bond financing, the federal Borders and Corridors 21 Program, the delivery of federal funds, and right-of-way 22 acquisition; and

23 WHEREAS, A top Texas priority for TEA-21 reauthorization 24 legislation is a provision to remove federal restrictions on state

procurement processes and allow a state highway contractor to perform environmental review as well as design and construction under a single design-build contract, which the Texas Department of Transportation (TxDOT) currently uses to combine design and construction of state highway projects into one contract, as opposed to the traditional approach of having separate contracts for each sequential project phase; and

8 WHEREAS, Another priority is allowing states to take a 9 concurrent and segmented approach to environmental reviews so that 10 they could begin environmental and design work on one part of a 11 multimodal transportation project--which could involve transit 12 systems, toll roads, highway facilities, and other modes of 13 transportation--at the same time that construction begins on 14 another segment of the project; and

WHEREAS, TxDOT also prioritizes eliminating federal restrictions on tolling interstate highways and on the use of toll revenues; additional state options for interstate tolling would significantly expand Texas' ability to address congestion and mobility issues more effectively; and

WHEREAS, Priorities also include amending the current toll 20 21 credit calculation and providing states with greater flexibility in using toll credits to finance projects; while it is useful that 22 23 states can apply the value of certain highway expenditures funded 24 with toll revenues toward the required state match on projects 25 receiving federal funds, the credit should be calculated on a pro rata basis that takes into account the state level of financial 26 investment in a project funded by toll revenues; and 27

1 WHEREAS, Authorizing the use of private activity bonds for a 2 broad range of surface transportation projects is another priority; 3 currently, highway, rail, and intermodal surface projects, which 4 provide a convenient transition from one mode of travel to another, 5 are ineligible for private sector investment; and

6 WHEREAS, The increasing level of truck traffic at Texas ports 7 of entry is the reason behind prioritizing realignment of the 8 federal Borders and Corridors Program; over time, this program has 9 evolved away from its core functions of promoting national economic 10 growth in relation to international trade and facilitating the safe 11 movement of people and goods across U.S. borders; and

12 WHEREAS, If Texas receives designation as a pilot state for a proposed federal program to test a performance-based management 13 14 approach to the delivery of federal funds, our state could manage 15 federal-aid transportation programs, including Interstate Maintenance, National Highway System, Surface Transportation, and 16 17 Highway Safety Improvement, as a single block grant; and

18 WHEREAS, Texas' transportation priorities to accelerate 19 project delivery also include allowing states to use federal funds 20 to pay options to property owners for potential acquisition of 21 right-of-way, similar to normal right-of-way acquisition; and

22 WHEREAS, Not only is Texas' highway capacity falling behind 23 demand, its rail infrastructure lags in efficiency as well; the 24 ability to dedicate a portion of federal highway funds to relocate 25 rail outside of cities and to support rail improvements would have a 26 significant impact on the free flow of traffic and safer movement of 27 hazardous material; and

1 WHEREAS, Other states occasionally run the risk of allowing 2 their contract authority for U.S. Federal Highway Administration 3 programs to lapse due to an inability to obligate those funds before 4 they expire; states that have available nonfederal funds can 5 provide financial assistance to these states by purchasing their 6 unused contract authority, thereby increasing federal funds; now, 7 therefore, be it

8 RESOLVED, That the 79th Legislature of the State of Texas 9 hereby respectfully urge the Congress of the United States to 10 include in TEA-21 reauthorization legislation provisions encompassing Texas' priorities for flexible transportation 11 12 financing and project delivery; these provisions should include but are not limited to: 13

(1) allowing design-build authority for contractors to include environmental review, design, and construction of a project under a single contract;

17 (2) allowing concurrent environmental review for18 multimodal transportation projects;

19 (3) providing options for tolling interstate highways
20 in Texas (within any limitations of state law);

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(4) implementing a pro rata toll credit calculation;

22 (5) allowing private activity bonds for 23 transportation projects;

(6) realigning the Borders and Corridors Program;
(7) including Texas in the surface transportation
system performance pilot program;

27 (8) expanding options for federal reimbursement for

1 right-of-way acquisition;

2 (9) allowing states to dedicate a portion of federal
3 highway funds to relocate rail outside of cities and to support rail
4 improvements; and

5 (10) allowing states to purchase unused contract 6 authority for U.S. Federal Highway Administration programs from 7 other states; and, be it further

8 RESOLVED, That the Texas secretary of state forward official 9 copies of this resolution to the president of the United States, to 10 the speaker of the house of representatives and the president of the 11 senate of the United States Congress, and to all the members of the 12 Texas delegation to the congress with the request that this 13 resolution be officially entered in the Congressional Record as a 14 memorial to the Congress of the United States of America.