# Transportation Funding Legislation – 2021 Regular Session Alliance for I-69 Texas

Updated: April 18, 2021

Information and proposed I-69 Position are based on information available at date of document.
Level of Alliance engagement on each bill will be determined based on Alliance State Legislative Priorities as
approved by the Board of Directors at the annual meeting.

## Preserve Existing Funding Framework Including Propositions 1 and 7; Continue Non-Diversion Policy

**SB 1 (Nelson)** – General Appropriations Bill. As introduced, SB 1 provides \$30.353 billion in funding for TxDOT for the 2022-2023 biennium compared with \$30.782 for the 2020-2021 biennium, with intact funding for Propositions 1 and 7 and no diversions except for TERP funding. A substantial funding gap remains to be resolved for the overall biennial budget for the state. <u>Link to Text and Bill Info</u> <u>Status</u>: Passed by the Senate 4/6/21. On House Calendar for 4/22/21. <u>I-69 Position</u>: Support continuation of the current transportation funding framework, including full funding of Propositions 1 and 7 and no diversions from the State Highway Fund.

**HB 1 (Bonnen)** – General Appropriations Bill. <u>Link to Text and Bill Info</u> <u>Status</u>: Voted out of committee 4/12/21. <u>I-69</u> <u>Position</u>: Support continuation of the current transportation funding framework.

**HB 2 (Bonnen)** – Supplemental Appropriations Bill. Includes various budget reductions to balance the biennial budget for 2020-2021, including a minor \$978,000 general revenue reduction for TxDOT. <u>Link to Text and Bill Info</u> <u>Status</u>: On House Calendar 4/22/21. <u>I-69 Position</u>: Support continuation of the current transportation funding framework.

**SB 868 (Nichols)** – Repeals transportation code provisions that require an annual transfer of funds from the Texas Mobility Fund (TMF) to the Texas Emissions Reduction Fund (TERP). Essentially ends another diversion. <u>Link to Text and Bill Info Status</u>: Referred to Transportation. <u>I-69 Position</u>: Evaluating.

**HJR 99 (Canales)** - Proposing a constitutional amendment authorizing a county to finance the development or redevelopment of unproductive, underdeveloped, or blighted areas in the county using a Transportation Reinvestment Zone; authorizing the issuance of bonds and notes. <u>Link to Text and Bill Info.</u> Status: Committee substitute reported by sent to Calendars 4/14/21. <u>I-69 Position</u>: Support.

# **State Gasoline and Diesel Taxes**

**SB 1041 (Eckhardt)** – Raises the state's gasoline and diesel taxes from 20 to 40 cents per gallon. <u>Link to Text and Bill Info</u> <u>Status</u>: Referred to Finance. <u>I-69 Position</u>: Support.

**HB 207 (Lopez)** – Raises the state's gasoline and diesel taxes from 20 to 22 cents per gallon and then annually indexes both taxes to the Consumer Price Index (CPI). <u>Link to Text and Bill Info</u> <u>Status</u>: Referred to Ways & Means 2/25/21. <u>I-69 Position</u>: Support.

**HB 2218 (Canales)** – Indexes the state's gasoline and diesel taxes to the Consumer Price Index (CPI). <u>Link to Text and Bill Info</u> <u>Status</u>: Referred to Ways & Means. <u>I-69 Position</u>: Support.

**HB 2931 (Israel)** – Raises the state's gasoline and diesel taxes from 20 to 40 cents per gallon. <u>Link to Text and Bill Info</u> <u>Status</u>: Referred to Ways & Means <u>I-69 Position</u>: Support.

**HB 4183 (Reynolds)** – Provides local option for cities after an election to impose a 1 cent per gallon gasoline and diesel fuels tax for sales within its boundaries. Cities could increase the rate each year to account for inflation. The Comptroller is required to collect the tax. <u>Link to Text and Bill Info.</u> <u>Status</u>: Referred to Ways & Means. <u>I-69 Position</u>: Evaluating.

## **Texas Mobility Fund**

SB 1455 (Nichols) – Eliminates a provision that requires any new obligations for the Texas Mobility Fund (TMF) to take place before January 1, 2015. This effectively re-opens the TMF to new projects with a potential leverage of \$3 billion or more. Similar to HB 2291 below. <u>Link to Text and Bill Info</u> <u>Status</u>: Introduced 3/10/21. Referred to Transportation 3/24/21. <u>I-69</u> <u>Position</u>: Support.

HB 2219 (Canales) – Eliminates a provision that requires any new obligations for the Texas Mobility Fund (TMF) to take place before January 1, 2015. This effectively re-opens the TMF to new projects with a potential leverage of \$3 billion or more. Similar to SB 1455 above. <u>Link to Text and Bill Info</u> <u>Status</u>: Heard in Transportation 3/23/21. Substitute reported out by committee 4/8/21. <u>I-69 Position</u>: Support.

**HB 3294 (C. Bell) [Companion SB 1263 by Birdwell]** – Relating to funding for the Texas emissions reduction plan and the Texas Mobility Fund. *Link to Text and Bill Info . Status*: Left pending in Appropriations 4/15/21. *I-69 Position*: Evaluating.

#### Fee In Lieu of Gas Tax for Electric and Hybrid Vehicles

SB 1728 (Schwertner, Nichols) – Establishes the following fees on alternatively-fueled vehicles for equalization of road use consumption: Electric: \$200 (0-6,000 lbs.) and \$250 (6,000-10,000 lbs.), Hybrid: \$40 and \$50 (same two weight classes), and Natural Gas: through a formula. Funds to be credited to the State Highway Fund. Link to Text and Bill Info Status: Introduced 3/12/21. Referred to Transportation 3/26/21. Considered in public hearing 4/14/21. I-69 Position: Support.

**HB 427 (King of Hemphill)** – Establishes an additional annual registration fee of \$200 for electric vehicles and \$100 for hybrid vehicles. *Link to Text and Bill Info Status*: Scheduled for hearing in Transportation on 4/20/21. *I-69 Position*: Support.

HB 2986 (Martinez) – Authorizes counties to impose an additional fee for registration of electric vehicles of \$200, or \$300 if gross weight is more that 10,000 pounds. <u>Link to Text and Bill Info</u> <u>Status</u>: Scheduled for hearing in Transportation on 4/20/21. <u>I-69 Position</u>: Evaluating.

HB 2221 (Canales) – Authorizes establishment of a Texas Transportation Electrification Council to be administered by TxDOT and completion of an electric vehicle charging infrastructure assessment by March 1, 2022. Authorizes development of an electric vehicle charging infrastructure plan for the state. Establishes an incentive program of up to \$4,000 for new light-duty electric vehicles to be funded from various federal grant programs and other defined revenue sources. Requires the Texas Commission on Licensing and Regulation to develop rules/standards related to electric vehicle metering devices to measure energy transfer at charging stations and appropriate fees. Establishes a \$100 additional fee for electric vehicles at purchase and annual registration - \$60 to the State Highway Fund and \$40 to fund the Texas Transportation Electrification Council. Link to Text and Bill Info Status: Referred to State Affairs. Left pending in committee 4/1/21. I-69 Position: Supports the provision related to the \$100 fee. Evaluating.

**HB 3637 (Goodwin)** – Authorizes establishment of a Texas Transportation Electrification Council and addresses composition of the proposed Council. Requires an assessment of vehicle charging infrastructure by March 1, 2022, development of plans *Alliance for I-69 Texas* 

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for public charging infrastructure adequate for future demand including evacuation routes, rural areas; etc. Requires a biennial report to the legislature, development of an incentive program for light duty electric vehicles; establishes various grant programs. Note: Bill has some similarity with HB 2221 and could be a potential vehicle for a fee in lieu of the gas tax for electric vehicles. <u>Link to Text and Bill Info</u> <u>Status</u>: Referred to State Affairs. <u>I-69 Position</u>: Evaluating.

**HB 3797 (Israel)** – Establishes an additional annual registration fee of \$100 for electric vehicles and \$80 for hybrid vehicles. <u>Link to Text and Bill Info</u> <u>Status</u>: Referred to Transportation 3/22/21. <u>I-69 Position</u>: Support.

SB 1720 (Eckhardt) – Imposes an additional fee on the registration of electric vehicles (\$100) and hybrid vehicles (\$80) with proceeds going to the Texas Mobility Fund. <u>Link to Text and Bill Info</u> <u>Status</u>: Referred to Transportation 3/26/21. <u>I-69</u> <u>Position</u>: Support.

#### Study of Future Transportation Needs

**SB 1464 (Nichols)** – Authorizes a study by TxDOT and the Texas A&M Transportation Institute of transportation funding needs, costs, and benefits through 2045, with analysis of changing travel patterns and behavior, innovations in vehicle technology, changes in the workplace, etc. The study is to be submitted to the legislature by December 1, 2022. Companion bill: HB 2222. <u>Link to Text and Bill Info</u> <u>Status</u>: Referred to Transportation 3/26/21. <u>I-69 Position</u>: Support.

**HB 2222 (Canales)** – Authorizes a study by TxDOT and the Texas A&M Transportation Institute of transportation funding needs, costs, and benefits through 2045, with analysis of changing travel patterns and behavior, innovations in vehicle technology, changes in the workplace, etc. The study is to be submitted to the legislature by December 1, 2022. Companion bill: SB 1464. *Link to Text and Bill Info Status*: Referred to Transportation. *I-69 Position*: Support.

#### **Optional Vehicle Registration Fee**

**SB 781 (Hinojosa)** – Adds **Nueces County** to the list of counties eligible to enact the \$10 optional vehicle registration fee. <u>Link</u> <u>to Text and Bill Info</u> <u>Status</u>: Referred to Transportation 3/11/21. <u>I-69 Position</u>: Support.

**Multiple bills** are pending to add counties eligible to enact \$10 fee including: Brazos, Travis, Williamson, Maverick, Guadalupe Counties. It is likely the bills will be combined into an omnibus bill at some point.

# **Oversized/Overweight Vehicles**

**SJR 59 (Nichols)** – Proposed Constitutional Amendment to ensure all revenue received from oversize or overweight vehicles that general law directs to the state highway fund may only be used to acquire, construct, and maintain public roadways. *Link to Text and Bill Info Status*: Introduced 3/10/21. Referred to Transportation 3/24/21. *I-69 Position*: Support.

SB 1456 (Nichols) – Rededicates certain revenue to the state highway fund. Requires that all permit fees revenue under Chapters 621 and 622 of the Transportation Code (oversize or overweight vehicles) be rededicated to the state highway fund for the purpose of acquiring, constructing, and maintaining public roadways. Only goes into effect if SJR 59 (see above) is approved by voters. Link to Text and Bill Info Status: Referred to Transportation 3/24/21. I-69 Position: Support.

**HJR 161 (Ashby)** – Proposed Constitutional Amendment to ensure all revenue received from oversize or overweight vehicles that general law directs to the state highway fund may only be used to acquire, construct, and maintain public roadways. <u>Link to Text and Bill Info</u> <u>Status</u>: Referred to Appropriations 3/29/21. <u>I-69 Position</u>: Support.

### **Comprehensive Development Agreements (CDA's)**

HB 3159 (Martinez) (RGV)— Expands list of legislatively-authorized CDA projects to include six additional projects for the Department and 11 additional projects for Regional Mobility Authorities. This includes authority for six projects in Hidalgo and Cameron Counties. <u>Link to Text and Bill Info</u> <u>Status</u>: Scheduled for hearing in Transportation 4/20/21. <u>I-69 Position</u>: Support.

**HB 3160 (Martinez)** – Extends expiration of authority for previously-approved list of CDA projects to August 31, 2031. <u>Link</u> <u>to Text and Bill Info</u> <u>Status</u>: Scheduled for hearing in Transportation 4/20/21. <u>I-69 Position</u>: Support.

**HB 3968 (Thompson of Brazoria)** – Allows the Department to enter into CDA agreements with the private sector for projects that exceed \$1 billion in cost, when funding is available without significant reprioritization of other highway improvement projects, and if the projects do not require use of money in the state highway fund. The Department would be limited to no more than two CDA projects per year, and a required voter approval process is provided. The bill also repeals several sections of existing CDA authority. *Link to Text and Bill Info Status*: Referred to Transportation 3/29/21. *I-69 Position*: Evaluating.

HB 3467 (Canales) – Extends existing CDA agreement for State Highway 130 (Segments 5 & 6) for a twenty-year period based upon a new traffic and revenue study that will determine future toll rates and concession revenue for TxDOT. The Department would be required to use any such concession funding for construction, maintenance, and operation of the State Highway system. <u>Link to Text and Bill Info</u> <u>Status</u>: Scheduled for hearing in Transportation 4/20/21. <u>I-69 Position</u>: No position.

#### Other Bills of Interest

**SB 1463 (Nichols)** – Authorizes a study by TxDOT, the Texas A&M Transportation Institute, and the University of Texas Center for Transportation Research of the impact of roads and bridges in this state by various classes of motor vehicles (passenger, commercial, oversize/overweight, etc.) and whether the revenues currently contributed from each class exceed or fall short of the financial impact from their use of the road system. The study is to make recommendations for changes to the existing tax and fee structure for the various classes of vehicles. A report is to be presented to the legislature by November 1, 2022. Companion bill: HB 2223. *Link to Text and Bill Info Status*: Referred to Transportation 3/24/21. *I-69 Position*: Support.

HB 2223 (Canales) – Authorizes a study by TxDOT, the Texas A&M Transportation Institute, and the University of Texas Center for Transportation Research of the impact of roads and bridges in this state by various classes of motor vehicles (passenger, commercial, oversize/overweight, etc.) and whether the revenues currently contributed from each class exceed or fall short of the financial impact from their use of the road system. The study is to make recommendations for changes to the existing tax and fee structure for the various classes of vehicles. A report is to be presented to the legislature by November 1, 2022. Companion bill: SB 1463 above. Link to Text and Bill Info Status: Reported by Transportation and sent to Local and Consent Calendar 4/12/21. 1-69 Position: Support

**SB 1412 (Paxton)** – Allows County Commissioners to declare a political subdivision or specified portion of a county as a defined district for an additional ad valorem road tax for maintenance of county roads. Sets forth requirements for a petition and election process. <u>Link to Text and Bill Info</u> <u>Status</u>: Referred to Local Government. <u>I-69 Position</u>: Evaluating.

**SB 2107 (Schwertner)** – Authorizes a study by TxDOT of the feasibility of charging a pavement consumption fee for the operation of certain motor vehicles on public highways. Companion bill: HB 1651. <u>Link to Text and Bill Info</u> <u>Status</u>: Referred to Transportation 4/1/21. <u>I-69 Position</u>: Evaluating.

**HB 1651 (Wilson)** – Authorizes a study by TxDOT of the feasibility of charging a pavement consumption fee for the operation of certain motor vehicles on public highways. Companion bill: SB 2107. Referred to Transportation 3/9/21. <u>Link to Text and Bill Info Status</u>: Referred to Transportation 3/9/21. <u>I-69 Position</u>: Evaluating.

There may be other bills that have not yet come to our attention.

