

August 11, 2025

FEDERAL FUNDING INITIATIVE – Community leaders from 11 states participated in an organizational meeting via Zoom on July 31 to talk about building support for the proposal to include a Multi-State Future Interstate Highway Program providing formula funding in the next federal surface transportation reauthorization bill. The I-69 Alliance has joined with the I-14 Coalition and the I-27 Ports-to-Plains Alliance to spearhead the effort which is targeted at multi-state interstate corridors that are already congressionally designated. Work on the interstate highway system started in the 1950s with 95% guaranteed federal funding. The original system was largely complete by 1985 and dedicated federal funding for interstate development was officially ended in 1992. There is currently no dedicated federal funding to plan and construct Future Interstate Highways. The proposed dedicated funding would distribute new funds to State DOTs based on the number of unconstructed, multi-state authorized Future Interstate miles in each state. Funds would be in addition to each state's funding under the current formula system.



RIVIERA RELIEF ROUTE AWARDED – TxDOT has awarded a \$178 million contract to build the US 77 Riviera Relief Route at the southern edge of Kleberg County. The 4-mile project will create a section of I-69 East that will bypass the last remaining traffic light between Corpus Christi and Brownsville. It will be the final piece in the 49.5 miles of I-69E in Nueces and Kleberg Counties.

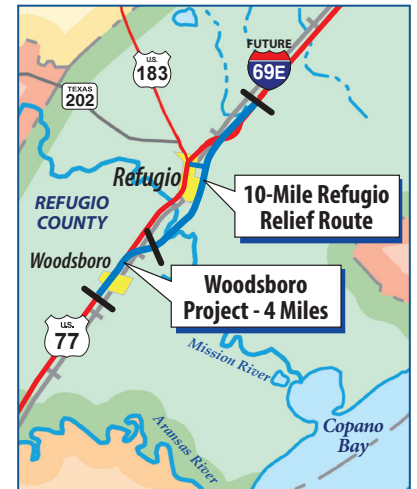
LOST LEADERS – Texas transportation has lost two important leaders in recent weeks. Transportation Commission Chairman Bruce Bugg died on August 6. He was appointed to the commission in 2015 and became chairman in 2017. Rebecca Wells, TxDOT Atlanta District Engineer, died unexpectedly on July 25. She spent her career at TxDOT including managing future I-369 projects in Northeast Texas. Bill Hale, who retired in 2022 as TxDOT's chief engineer, is serving as interim Atlanta District Engineer.

UTP KEEPS I-69 ON TRACK – The 10-year 2026 Unified Transportation Program is expected to be approved next week. The Alliance has compiled a list from the Draft UTP and Project

Tracker that includes more than 70 projects on the I-69 Corridor with an estimated construction cost of more than \$12 billion. Additionally, \$2.9 billion in contracts for projects on the I-69 System have been awarded by TxDOT in the past three years.

EARLY SPONSORS FOR ANNUAL MEETING – The Alliance is seeking early sponsors for this year's Alliance Annual Meeting and luncheon on December 5th in Houston. Mark your calendar and watch for more information. To be an early-bird sponsor, please contact Executive Director Jennifer Shepard. Jennifer@jgshepard.com

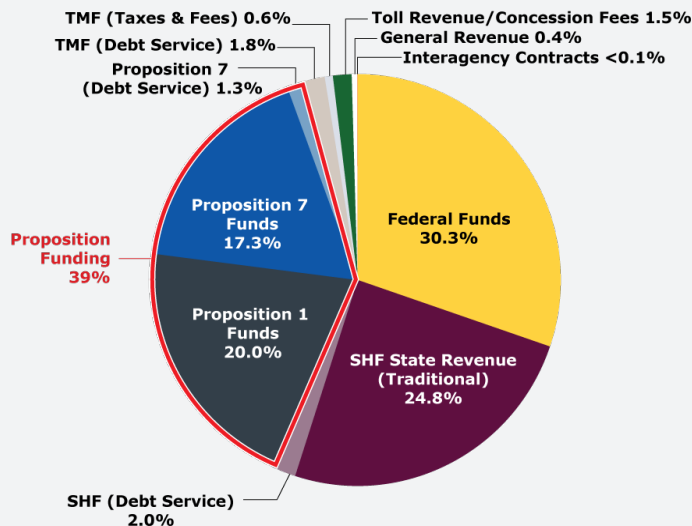
WOODSBORO/REFUGIO HEARINGS – Public hearings are set August 20 and 21 on the draft environmental assessment of the \$554 million US 77 Woodsboro-Refugio interstate conversion projects. Final design, right-of-way acquisition and utility relocation is expected to begin later this year with construction estimated to begin on the 4-mile Woodsboro section in 2029. The Refugio Relief Route will cover 10 miles and will allow traffic to avoid the six traffic lights on the existing highway. A third component of the project is a new location connection of US 183 to the new freeway on the northeast side of Refugio.



SIGNING COMPLETED SEGMENTS – There are four I-69 System segments that are complete, open and awaiting final approval for addition to the Interstate Highway System. Responding by letter to Rep. Michael Cloud of Victoria, Transportation Secretary Sean Duffy said FHWA and TxDOT are working to complete the designation process on 20 miles of US 77 in Nueces and Kleberg Counties, 8 miles of US 59 in Liberty County, 12 miles of US 59 in Fort Bend County and 10 miles of US 83 in Hidalgo County. The Nueces/Kleberg section is being delayed by the need to remove a private driveway.

NEPA DELEGATION RENEWED – The Federal Highway Administration has renewed and extended the agreement that allows TxDOT to continue independently managing its environmental reviews for highway projects under NEPA. Alliance members had weighed in with comments in support of TxDOT's extension application. The renewal is for 10 years, double the previous term. TxDOT has had this delegation of authority since 2014 and the process has empowered Texas to efficiently move projects forward.

Budget Sources: Senate Bill 1



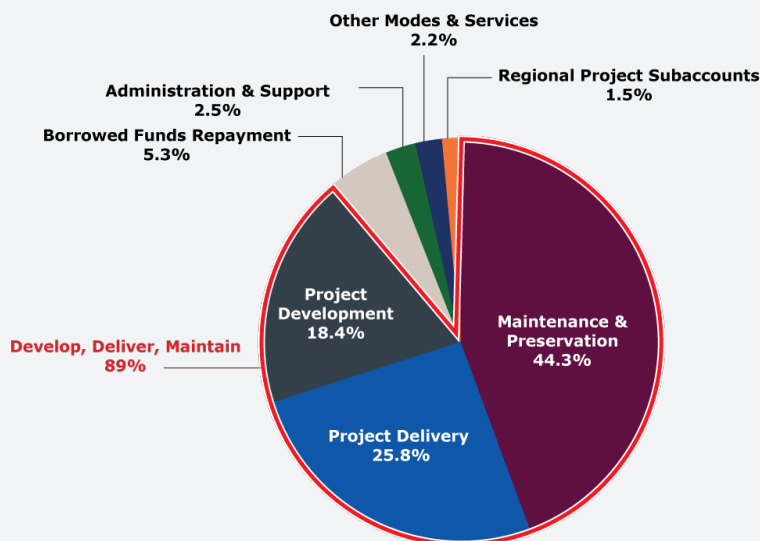
BUDGET SOURCES

Federal Funds	\$12.07 billion
SHF (Traditional)	\$9.88 billion
SHF (Debt Service)	\$0.80 billion
Proposition 1 Funds	\$8.00 billion
Proposition 7 Funds	\$6.92 billion
Proposition 7 (Debt Service)	\$0.50 billion
TMF (Debt Service)	\$0.72 billion
TMF (Taxes & Fees)	\$0.25 billion
Toll Revenue/Concession Fees	\$0.59 billion
General Revenue	\$0.18 billion
Interagency Contracts	\$0.01 billion
Total	\$39.92 billion

*Totals and percentages may not sum due to rounding

SHF - State Highway Fund

Budget Uses: Senate Bill 1



BUDGET USES

Maintenance & Preservation	\$17.66 billion
Project Delivery	\$10.34 billion
Project Development	\$7.36 billion
Borrowed Funds Repayment	\$2.13 billion
Administration & Support	\$0.98 billion
Other Modes & Services	\$0.86 billion
Regional Project Subaccounts	\$0.59 billion
Total	\$39.92 billion

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Legislative Review Highlights Funding

The TxDOT Government Affairs Division has produced a comprehensive review of transportation related legislation approved during the 2025 Regular Session of the Texas Legislature. The most significant action was passage of SB 1, the General Appropriation Act for FY 2026-2027, which directs \$39.92 billion in appropriations to TxDOT. That represents a \$2.6 billion increase (6.5%) compared to the last two-year biennium.

89% of funds appropriated to TxDOT are dedicated to project development, delivery and maintenance. Executive Director Marc Williams notes that this action by lawmakers ensures sustained progress in statewide transportation improvements. You can download the department's Legislative Review at:

<https://www.txdot.gov/content/dam/docs/division/gov/legislative-summaries/moving-texas-forward-89th-session-summary.pdf>



Alliance for I-69 Texas

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