



🔊 New federal transportation funding: What's at stake for Texas?

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President Barack Obama signed into law the long-awaited transportation reauthorization bill Friday, ending three years of uncertainty about the rules on spending federal transportation dollars.

The new law sets policy for spending on highways, bridges and transit systems across America, and caps a furious lobbying assault that saw millions spent to influence the outcome.

With an election around the corner and new worries about national debt, the final result is smaller and less ambitious than many advocates and lawmakers had once hoped. The law will be in effect just 27 months, when a new political scrum for a longer-range approach will begin again.

The law keeps spending at about \$54 billion a year, about what it is now, and keeps the primary focus of federal transportation policy on highways, bridges and toll roads. Texas' share will be a little over \$3 billion per year.

Now that the bill is law, the Obama administration will write rules for how to implement the new policies — and so many of the important details about how things will change for drivers and taxpayers won't be known for at least six months.

But here are five ways the law is expected to affect Texas:

1. Shortened environmental review: Major highway projects mean major effects on the environment, and since 1969 federal law has required a painstaking process to evaluate those effects before construction can begin. The law keeps that process intact but carves out new exceptions.

Projects using less than \$5 million in federal funds will be exempt. And, more important, projects built within existing highway corridors may also be exempt, though the details of how this will work remain to be seen.

Colby Chase, government affairs director for the Texas Department of Transportation, said plans to widen Interstate 35E between Dallas and Denton may be one of the nation's first and most emblematic beneficiaries of the change. Much of that work, at least initially, will be done within right-of-way already owned by TxDOT and as a result may qualify to skip all or part of the environmental review.

2. More flexibility could mean less money for "enhancements": Under current law, roughly 10 percent of federal highway dollars are set aside for enhancement projects, awarded through a grant competition administered by TxDOT.

Those funds have helped pay for hike-and-bike trails in North Texas, Klyde Warren Park at Woodall Rodgers in downtown Dallas and other projects. The money will be divided into two piles — one administered by TxDOT and another run by groups like the Regional Transportation Council.

The law gives TxDOT the choice of continuing to use the funds for non-highway projects or rolling them into more traditional programs. Chase said the state's five highway commissioners haven't discussed yet whether Texas will continue to use the funds for projects that are alternatives to highways.

3. Toll roads get more access to federal loans: The law boosts low-cost federal loans for toll roads. By 2014, the U.S. will make available \$1 billion a year for low-interest loans with very forgiving repayment terms. These loans have helped mean the difference between building and not building major roads in Texas, including State Highway 161 in Dallas County and the North Tarrant Express.

Gone from the law are any admonitions against privately financed toll roads, once a centerpiece of Democratic talking points. The law orders the Department of Transportation to establish best practices for how states and the federal government structure public-private partnerships but sets no new restrictions on them.

4. Transit not a focus: The law makes some changes in how transit projects can be funded, including one provision that could help DART maintain its aging rail lines. Federal funds will be available for major maintenance or reconstruction projects, not just new construction. Other than that, though, transit remains a bit player in the overall transportation picture under the new law.

Transit agencies mobilized this spring to prevent a House proposal to stop using federal gasoline taxes to help pay for rail and buses. That language did not survive, and transit agencies will continue to have access to 20 percent of gasoline tax revenues.

5. Hello, Interstate 69: Thanks in part to work by Sen. Kay Bailey Hutchison, R-Texas, the new law makes it easier for a state highway to qualify for official designation as a federal interstate. The change means that 200 to 275 miles of highways in South Texas will soon bear an I-69 shield. Last year, six miles of the road was so designated. State officials say the change will have a big impact on the highway's visibility, as it will now show up on maps as part of the federal interstate system.

President Barack Obama signed the highway reauthorization bill Friday, capping a three-year legislative fight to set the rules for federal spending for highways, bridges and transit in the coming years. The highlights:

27 months Instead of a five- or six-year period, the new law will be in effect just 27 months. Worries about spending, election-year politics and other issues forced a compromise on a bill with a shorter life span.

\$105 billion The law is smaller, too. Instead of the \$500 billion initially proposed, it keeps spending at about its current rate, about \$54 billion a year.

9 The last major reauthorization passed in 2005 and was set to expire Sept. 30, 2009. Congress has kept highway spending on life support since then, granting nine extensions to keep projects under way while a new bill was hashed out.

\$3 billion Approximate annual share that goes to Texas

1 and 1 Vote by Texas senators. Kay Bailey Hutchison voted for the bill; John Cornyn voted against.

SOURCE: *Dallas Morning News* research