

AUSTIN – State Comptroller Glenn Hegar on Wednesday offered transportation planners a mixed bag of projections **about the highway funding enhancements that voters have approved in recent years.**



Aerial photograph of the Horseshoe Project, shows I-30 crossing the Trinity River, and the construction of the Margaret McDermott bridge, on Friday, April 3, 2015 in Dallas. (G.J. McCarthy/The Dallas Morning News)

The good: The state should meet a key threshold in general sales tax revenue to trigger in 2018 an extra \$2.5 billion a year for roads. **The OK:** The marker should also be met for a slice of vehicle sales tax dollars to go toward roads in 2020 – but less than initially thought.

The bad: The estimates continue to shrink — thanks to the low price of oil — for the yearly boosts the Texas Department of Transportation receives from the state’s energy production tax revenues.

Still, Hegar said, the Texas economy provides reason for overall optimism.



In this January 2015 file photo, State Comptroller Glenn Hegar announces at the Capitol the revenue the Legislature will have to spend over the next two years. (AP Photo/Austin American-Statesman, Ralph Barrera)

“I’d much rather be here than in many other countries,” he told the House Select Committee on Transportation Planning.

Transportation funding was a major focus last year in the Legislature, as lawmakers sought to fill the \$5 billion annual gap that TxDOT said it needed to keep congestion from getting worse and to maintain the state’s roads.

While lawmakers had in past years mostly nibbled around the issue, **they took a big bite last year**. And Texans in November approved – with 83 percent of the vote – the constitutional amendment needed to increase the funding for nontolled roads.

Under the approved boost, starting in 2018, TxDOT gets up to an additional \$2.5 billion a year in general sales tax revenue once that pot reaches \$28 billion a year. The state last year collected \$28.8 billion in sales tax revenue.

“We’re going to hit that target, barring some global economic collapse,” Hegar said.

The state's highway fund, starting in 2020, also gets 35 percent of motor vehicle sales tax revenue that exceeds \$5 billion a year. Though initial estimates pegged that boost at \$430 million in 2020, Hegar on Tuesday put it at \$375 million.

Then there's the money **from the state's oil and gas severance tax that voters in 2014 agreed to also send to TxDOT**. In the past, that's provided more than \$1 billion a year. But Hegar is now estimating a \$594 million transfer this year and a \$740 million one next year.

And if the oil prices remain in the doldrums, those transfers could end up even lower, he said.

The tightening financial predictions already have **some analysts worried about the impact on the overall state budget**. But for roads, at least, House Transportation Committee Chairman Joe Pickett said the varied, new funding sources have to be seen as a plus.

"We're diversified," he said.