



*Serving the counties of District 2: Fannin, Delta, Hunt, Hopkins, Rains,
Rockwall, Kaufman, Van Zandt, and part of Dallas County*

Texas: Let's Put the Brakes On Public-Private Partnerships

Texas is a highway state. This reality stems from the need to meet the mobility demands of both sprawling metropolitan regions and vast rural areas.

However, paying for the state's immense highway infrastructure has been a struggle for decades. Unfortunately because of lobby pressure by groups who greatly profit from toll roads, Texas and many other states have turned to public-private partnerships (P3s) to facilitate toll-road formation to solve this problem.

Texas has ventured into this arena to include Hiway 130 near Austin, Dallas' LBJ Expressway West and the North Tarrant Express as examples of P3s that have been completed. However, not all Texas P3s have been successfully built and operated. The public-private partnership overseeing Highway 130 between Austin and San Antonio failed tremendously, and other states such as Indiana have experienced massive failure of P3 projects.

To his credit for putting taxpayers ahead of the lobby, President Trump took P3s off the table as the centerpiece of his infrastructure plan. He cited Indiana's I-69 P3 failure as an example of the ineffectiveness of the method. And while it is true that P3s sometimes help agencies take on major capital projects and improvements, those benefits can come at a devastating cost to the taxpayers.

P3 organizations enjoy toll road construction because of the large amount of revenue generated. Many of these projects have been a failure due to the vehicle traffic falling short of the private companies' projected use (and thus revenue), higher construction costs, project delays, and a host of other problems.

However, the heart of the issue is that P3s violate basic constitutional concepts surrounding one of the core functions of government - providing public highways and roads. Since building and maintaining roads is one of the core functions of government, it is appropriate that our tax dollars are for this purpose. Increasingly, however, public roadways are being transformed into private profit centers for wealthy corporations. Not only are taxpayers being double-taxed, it is estimated that building and operating a toll road costs taxpayers 3 to 4 times as much as it would for the same number of lane-miles built on a pay-as-you-go basis.

During this past Regular Session the Texas Legislature rejected House Bill 2861 that would have allowed TxDOT to use P3s to fund several highway projects. The bill would have extended the deadline for several P3s already in the works, and would have approved several more. While the rejection of this bill does not remove all possibility of P3s, it will make the approval process more difficult.

The rejection of this bill took place well before the White House's decision to remove P3s as an integral part of proposed legislation and reflects Texas' leadership in this area.



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It has been clearly demonstrated that the Texas highway transportation need of reducing congestion can be met if the planners will stop first allocating funds to low priority projects in Regional Transportation Council member districts and then claiming insufficient funds to build the priority congestion reduction projects like I-635 East.

The Governor, Lt. Governor, and Senate are right on this issue. We do not need any more P3 highway projects and we do not need to be building more toll roads. What we need is for the multitude of transportation planning agencies to get their priorities straight and start making an honest effort to meet our long - and short - term needs with one or more of the many alternatives to toll roads.

Texans and the Texas economy deserve something better than being known as the number one state in the nation for inflicting the most toll roads on its citizens.