

BILL ANALYSIS

Senate Research Center

H.C.R. 82
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Infrastructure Development and Security
5/8/2003
Committee Report (Amended)

DIGEST

An integrated, safe, and adequately financed transportation system is a critical component of the economic, social, and environmental well-being of both the United States and Texas. The Highway Trust Fund was established by the Highway Revenue Act of 1956 as a mechanism to finance an accelerated highway program, including the Interstate Highway System. The revenues used to finance the trust fund are derived from federal excise taxes on highway motor fuel and certain truck-related taxes collected from motorists in all 50 states and paid into the federal Highway Trust Fund. Federal law requires that the money paid into the trust fund be returned to the states in accordance with legislatively established formulas that are recalculated every six years in reauthorization legislation. Most recently, the Transportation Equity Act for the 21st Century (TEA-21) was passed in 1998.

Due to funding disparities, 26 states, known as donor states, receive less than their fair share of the federal fuel taxes that their citizens have paid into the trust fund. From 1956 to 2001, Texas received an average rate of return of 78 percent on the funds sent to Washington. Currently, the United States Congress is drafting legislation to reauthorize TEA-21, which guaranteed a minimum rate of return of 90.5 percent. A coalition of the donor states is seeking a guaranteed rate of return of 95 percent of their share of contributions to the federal Highway Trust Fund, calculated against all dollars being distributed to the 50 states. A 95 percent rate of return would allow Texas to better address its highway construction, repair, and maintenance needs. Highway projects enhance mobility, improve air quality, foster economic development, and support thousands of jobs in Texas.

PURPOSE

The following resolutions are submitted:

That the 78th Legislature of the State of Texas hereby respectfully request the Congress of the United States to provide equity funding to Texas by increasing the rate of return from the Highway Trust Fund to 95 percent of Texas' contributions to the fund.

That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the speaker of the house of representatives and the president of the senate of the United States Congress, and to all the members of the Texas delegation to the congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

LIST OF COMMITTEE AMENDMENTS

Committee amendment No. 1:

On page 1, line 19, before "donor" insert "highway program".

On page 1, line 20, between "into" and "the" insert "the highway account of".

On page 1, line 21, between "average" and "rate" insert "highway program".

On page 2, line 1, between “percent” and the semicolon, insert “on federal highway programs”.

On page 2, line 12, between “the” and “rate” insert “state’s highway program”.