

Local-option tax rejected in transportation bill compromise

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For three straight legislative sessions, Dallas-area officials have pressed for permission to ask voters to pay more taxes to keep traffic moving in the state's fastest growing metropolitan area. If the Legislature is too scared to raise taxes itself, they argued, why not let local officials ask voters to do it themselves?



HARRY CABLUCK/The Associated Press

Rep. Joe Pickett (right), who became House transportation chairman during the session, talks to Rep. Carl Isett.

On Saturday, amid hot tempers and high legislative drama, they got their answer: No.

Lawmakers who ironed out a compromise on a massive transportation bill rejected the provision known as a local-option tax, over the strenuous objection of its chief patron, Sen. John Carona, R-Dallas. They contend that the provision doesn't have enough support in the House and could threaten the larger bill, which would address some of lawmakers' concerns about how the Department of Transportation is run and place conditions on new private toll road contracts.

"This is a great tragedy, a real loss of statesmanship here in the Capitol," Carona said.

The House and Senate are expected to vote on the overall measure today as lawmakers wind up their session, which must end Monday.

The rejection comes with a significant sting for North Texas leaders, who have met hundreds of times over two years to craft a proposal that no-new-tax conservatives in the Legislature could stomach.

Possible effects

It's not immediately clear exactly what impact the demise of the provision, which could have raised \$7 billion over time, will have on North Texas, the nation's fourth-most-traffic-clogged metropolitan area. But regional planners have warned for weeks that it could mean having to scrap plans for hundreds of miles of suburban rail lines and could put in jeopardy the region's ability to comply with federal clean air standards.

Dallas City Council member Linda Koop, chairwoman of the Regional Transportation Council, said local leaders will have to accept the reality that additional funds for highways or rail lines are simply not going to be available – at least not from state or local sources.

"It's a missed opportunity," said Rep. Vicki Truitt, the Keller Republican who carried the local-option bill in the House. "This was not for today, but for 30 years, 40 years, 50 years out."

Her own constituents are conservative, she said, but would have been willing to pay more to ease traffic.

"Let us pick our poison," she said. "It's either stay stuck in traffic or pay a few more bucks per year for our infrastructure."

Opponents, though, say it's a mistake to allow for increased taxes, especially in a time of economic crisis.

The bill had begun with a focus on rail but evolved into a bigger proposal that would have added as much as \$7 billion for North Texas roads and rails by 2030.

Despite those changes – and despite lopsided votes in favor of the bill by the Regional Transportation Council – the proposal arrived in Austin last winter facing significant obstacles. The most important weaknesses included lack of support in key corners and a failure to have a unified front at home.

Gov. Rick Perry's support for the bill was weak, and as soon as the measure was changed to affect more areas than North Texas, he pulled back. He never threatened to veto the bill, but he made it clear that he wouldn't help Carona or Truitt get it passed.

The bill was a "big huge monstrosity with lots of taxes and lots of areas of the state," Perry said Saturday, adding that it had changed too much for him to support it.

Cautions

Lt. Gov. David Dewhurst never spoke against the bill but offered a steady stream of cautions as the session neared. Once lawmakers were in Austin, he allowed it to come to the floor, where senators approved it but never gave it vocal support.

Local supporters of the bill failed to line up all the important lawmakers from North Texas on their side.

Rep. Linda Harper-Brown, R-Irving, serves on the House Transportation Committee and was deeply involved in the larger effort this session to overhaul the transportation department. But she saw the bill as a way to fund rail projects that could compete with Irving's long-anticipated stations along the DART Orange Line headed to Dallas/Fort Worth International Airport.

When she was one of five lawmakers picked to negotiate with the Senate, which passed the local-option measure in its initial bill, supporters of the local-option tax suspected the idea was in trouble.

The dispute over the local-option tax dominated the final days of the legislative session. The Senate had passed the tax proposal as a standalone bill, but when that bill got mired in the House without reaching the floor for a vote, Carona added it to the much larger transportation bill.

The two sides argued over whether the measure had support in the House, where it never came up for a vote. Early Saturday, Carona issued a blistering statement, urging that the House at least be able to vote on the bill with the tax proposal.

"The answer to traffic congestion and pollution in our major metro areas comes now as a stranger to the door of the House," he said. "Within the House are 77 solid votes or more, and there is only one true way to prove it. Open the doors of the House to this legislation, and let the people vote."

But the fight was largely over by then, and House members on the negotiating committee had already met separately with the Senate chairman, Glenn Hegar, R-Katy, to tell him they would not accept a bill that included the tax idea.

Hegar said that he never supported the tax proposal but that his own opposition hadn't been fatal. Instead, he said the House remained firm against it, despite enormous pressure from the Senate and from lobbyists.

Carona blamed the proposal's failure in part on Rep. Joe Pickett, D-El Paso, who he said was either secretly opposed to the bill or simply too new in his role as committee chairman. Pickett said he had supported the bill in an earlier version but was not willing to let other reforms in the larger bill suffer over it.

"It is death to the bill, in my opinion. It does not belong in this bill if it jeopardizes it passing," Pickett said.

The transportation bill that goes to the chambers for a vote Sunday is hundreds of pages long and contains significant changes that many lawmakers, including Carona, have spent nearly two years working on. But it won't contain the local-option tax.

Pickett and Hegar had these words of consolation: There's always next time.

Staff writers Christy Hoppe and Wayne Slater in Austin contributed to this report.