

Toll road bill faces tough fight in Texas Legislature's special session

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AUSTIN – Gov. Rick Perry's special session effort to win new approval for public-private toll roads in Texas may be hitting the skids.

Lawmakers on the House Transportation and Senate Finance committees left the bill pending, saying either they couldn't support it or that it was too complex to vet by the end of the week. That's when top state officials have asked them to wrap up their work.

"I don't know that the support is there," said Democratic Rep. Joe Pickett, who chairs the House Transportation Committee and filed the public-private toll road bill in that chamber.

Added Republican Sen. Steve Ogden, chair of the Senate Finance Committee, "We are being asked to pass legislation based more on faith than fact."

Meanwhile, other members expressed reservations about whether the toll-road bill was necessary and suggested that, despite Perry's call, they might finish the special session without it.

"Why this was put on the call of the special session, I don't know," Sen. Florence Shapiro, R-Plano, said. "Without major revisions, there is no way I am going to vote for" the measure.

The bill is one of three Perry put on the agenda for the special session.

The other two are a bill to lengthen the lifeline of five state agencies, and another to approve \$2 billion in bonds for highway construction projects.

"The governor wants to ensure that all the options are on the table to help address our state's transportation needs," Perry spokeswoman Allison Castle said.

"We hope lawmakers will agree."

The measure would extend the state's authority to contract with private companies to build toll roads and would permit the kinds of deals that are proliferating in North Texas, including the LBJ Freeway reconstruction, the North Tarrant Express and the DFW Connector. Projects already in the pipeline would not be affected if the bill didn't pass.

In North Texas, the failure to pass the bill could delay, or even derail entirely, toll road projects such as State Highway 161 in Dallas County. The North Texas Tollway Authority won the right to build it last year, but has not committed to it because of financial challenges. If the bill doesn't pass, and the NTTA chooses not to build it, Texas would be unable to shop it around to a private toll road developer.

Supporters of the public-private toll road bill say that in the absence of additional tax revenue, private investment in infrastructure is the only way to keep traffic moving on Texas highways.

Opponents say for-profit toll roads are always a bad deal for Texas taxpayers, because more people have to pay to drive, and the revenue goes to large, overseas companies.

A growing number of state officials say they simply don't see the urgency of this legislation.

"If that's what we're here for, to facilitate the private toll roads, you all can put me down as a no right now," said Rep. Jim Dunnam, D-Waco. "If that's the only reason we're here, it's offensive."

Pickett, D-El Paso, said he supports the measure and its new restrictions on such public-private agreements.

He said he's just not sure a quick-hit special session is the appropriate place to consider it, and that the so-called CDAs, or "comprehensive development agreements," at issue in the bill are too complicated to get resolved by the end of the week.

Pickett, who is carrying the 33-page bill, has also filed a three-page, bare-bones private toll road extension bill, one he says may draw more support. That bill hasn't yet been considered in committee.

Lt. Gov. David Dewhurst said he remains hopeful the measure will pass, though he acknowledged it will probably have to be scaled back to gain Senate approval.

"If we don't address some areas of the state that are not going to receive funding otherwise, voters will ask why we didn't pass legislation that will enable us to get additional roads built," he said.

On Wednesday, the Senate passed a bill that would extend for two years the operations of the transportation and insurance departments, along with the Office of Public Insurance Counsel, the racing commission and the affordable housing corporation. The measure now goes to the House.

The \$2 billion transportation bond bill is expected to come up for a vote in the Senate on Thursday, but the measure isn't a done deal.

House lawmakers expressed concern on Wednesday that once the bonds are sold, some of the money might fund toll roads or other projects they have little oversight over.

Staff writers Michael Lindenberger and Christy Hoppe contributed to this report.

TOLL ROAD DEALS

What are CDAs?

Comprehensive development agreements are contracts between governments and private road builders who agree to invest their own money to build highways in return for the right to collect increasingly expensive tolls there for decades. In Texas, those deals usually last 52 years.

What happens if Texas lawmakers refuse to extend the state's authority to enter into those contracts?

Private toll-road building will be greatly reduced, but not entirely killed. Public toll authorities like the North Texas Tollway Authority would retain the legal authority to partner with private developers to build toll roads. No such partnership has yet emerged. But with increased financial pressures, NTTA could find itself in a position of wanting to build a road but needing to attract capital from a private partner.

If an authorization bill fails, would private toll projects in North Texas be affected?

Two major private toll projects in North Texas already are approved and would not be halted. Officials have approved billion-dollar deals for the North Tarrant Express and the reconstruction of LBJ Freeway, both of which will be a mix of toll and free lanes. In addition, work on the DFW Connector in Grapevine is expected to continue.

How could drivers be affected?

If CDA authority expires, local officials will have one less option to move big roads forward. If NTTA can't, or won't, build a road in the future, then Texas will have to use state and federal tax dollars to build the roads as free roads. That's a good deal for drivers, but state officials say they don't have enough money to afford the number of new roads sought by Dallas-area leaders.

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