







increase and local gas tax levy would require working closely with the 81<sup>st</sup> Texas legislature in 2009. The following tables identify the possible funding levels that could be achieved through some of the innovative ideas identified by the HCMPO staff. The figures provided are calculated from 2010, allowing for local and statewide approval and adoption, until FY 2030, the out year of the HCMPO MTP. The following initiative of an additional local sales tax could generate an additional \$555 million at an additional quarter of a penny increase (.25%) or \$1.1 billion at an additional half of a penny increase (.50%).

<b>2010-2035 Sales Tax Revenue</b>		
<b>County</b>	<b>0.25%</b>	<b>0.50%</b>
Cameron	\$286,563,108	\$573,126,215
Hidalgo	<b>\$555,502,946</b>	<b>\$1,111,005,893</b>
Willacy	\$4,466,086	\$8,932,172
<b>Totals</b>	<b>\$846,532,140</b>	<b>\$1,693,064,280</b>

It is important to note that the sales tax initiative while innovative, does not calculate for lost funds do to Mexican nationals receiving sales tax refunds through the Manifesto process.

The following table identifies the funds that could possibly be generated through accessing additional bridge fees. These fees would be accessed on southbound traffic movements. It is the belief of the HCMPO staff that southbound movements will represent a significant number of those northbound movements returning to Mexico for work, home or recreation. HCMPO staff believes that this is a very fair initiative since it will capture funds from Mexican nationals who use the Hidalgo mobility network but do not contribute funding for its initial construction or rehabilitation needs. Funding for mobility projects are calculated by using census population counts and thus Mexican nationals are not captured in those calculations.

<b>TRUCKS</b>			
	2010-2035 Adding \$0.10	2010-2035 Adding \$0.15	2010-2035 Adding \$0.25
HIDALGO	\$230,900	\$346,349	\$577,249
PHARR	\$3,961,988	\$5,942,982	\$9,904,969
PROGRESO	\$142,943	\$214,415	\$357,358
	<b>\$4,335,830</b>	<b>\$6,503,746</b>	<b>\$10,839,576</b>
<b>CARS</b>			
	2010-2035 Adding \$0.10	2010-2035 Adding \$0.15	2010-2035 Adding \$0.25
HIDALGO	\$14,168,848	\$21,253,272	\$35,422,121
PHARR	\$4,629,557	\$6,944,336	\$11,573,894
PROGRESO	\$2,617,046	\$3,925,568	\$6,542,614
	<b>\$21,415,451</b>	<b>\$32,123,177</b>	<b>\$53,538,628</b>
<b>PEDESTRIANS</b>			
	2010-2035 Adding \$0.10	2010-2035 Adding \$0.15	2010-2035 Adding \$0.25
HIDALGO	\$3,484,047	\$5,226,070	\$8,710,117
PROGRESO	\$3,220,994	\$4,831,492	\$8,052,486
	<b>\$6,705,041</b>	<b>\$10,057,562</b>	<b>\$16,762,603</b>

<b>Revenues from 2010-2035</b>		
<b>\$0.10</b>	<b>\$0.15</b>	<b>\$0.25</b>
<b>\$32,456,323</b>	<b>\$48,684,484</b>	<b>\$81,140,807</b>

The following table illustrates the most favorable option that the HCMPO staff has worked on, the local gas tax initiative. This option, while challenging to initialize, is capable of addressing a great deal of the \$1.4 billion shortfall for mobility needs as well as provide funds to meet the much needed operations of transit providers.

### **HIDALGO & CAMERON COUNTIES GAS TAX**

<b>HIDALGO COUNTY (2010-2035)</b>			<b>CAMERON COUNTY (2010-2035)</b>			<b>HIDALGO &amp; CAMERON COUNTY (2010-2035)</b>		
<b>\$0.01 cent increase</b>	<b>\$0.015 cent increase</b>	<b>\$0.02 cent increase</b>	<b>\$0.01 cent increase</b>	<b>\$0.015 cent increase</b>	<b>\$0.02 cent increase</b>	<b>\$0.01 cent increase</b>	<b>\$0.015 cent increase</b>	<b>\$0.02 cent increase</b>
\$149,800,826	\$224,701,239	\$299,601,652	\$84,020,646	\$126,030,969	\$168,041,292	\$233,821,472	\$350,732,208	\$467,642,944

HCMPO staff has worked closely with the Lower Rio Grande Valley Development Council (LRGVDC) and included Cameron County as a part of the calculations mindful that the Cameron County may wish to join with Hidalgo County and address the initiative on a regional approach. As one can see, the HCMPO staff looked at an additional 1 cent, 1 ½ cent and 2 cent additional tax to fuel purchases.

As you can see, no one initiative will completely address the full funding shortfall on its own, but HCMPO staff also wants to iterate that there is significant cost savings to projects that can be accelerated by using one or several of the innovative funding options identified. By activating one or more of the funding options, projects can be move forward with funds that are available at a much more rapid rate in comparison to waiting 10-20 years for funding to become available before moving forward with added capacity and transit projects.

HCMPO staff is striving to find favorable innovative funding sources that will compliment federal and state funds. It is important that these initiatives allow for the funds to remain local and fund local projects. The HCMPO staff as well as TPC is hoping that other local initiatives that culminated in S.B. 1888 can be duplicated in the near future and thus provide for a rapidly aging network and infrastructure.

## S.B. 1888

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By: Hinojosa

S.B. No. 1888

### A BILL TO BE ENTITLED AN ACT

relating to the authority of certain counties to impose vehicle registration fees to address county mobility needs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter D, Chapter 502, Transportation Code, is amended by adding Section 502.189 to read as follows:

Sec. 502.189. OPTIONAL COUNTY FEE TO ADDRESS MOBILITY NEEDS. (a) This section applies only to a county:

- (1) that borders the United Mexican States;
- (2) that has a population of more than 500,000; and
- (3) whose largest municipality has a population of less than 300,000.

(b) A vehicle that may be registered under this chapter without payment of a registration fee may be registered in a county imposing a fee under this section without payment of the additional fee.

(c) The commissioners court of a county described by Subsection (a) may impose by order an additional fee of \$10 for each vehicle registration in the county to address the mobility needs of the county within the metropolitan area boundaries of any metropolitan planning organizations in the county.

(d) A fee imposed under this section may take effect only on January 1 of a year. The county must adopt the order and notify the department not later than September 1 of the year preceding the year in which the fee takes effect.

(e) A fee imposed under this section may be removed. The removal may take effect only on January 1 of a year. A county may remove the fee only by:

(1) rescinding the order imposing the fee; and

(2) notifying the department of the removal not later than September 1 of the year preceding the year in which the removal is to take effect.

(f) The county assessor-collector of a county imposing a fee under this section shall collect the additional fee for a vehicle when other fees imposed under this chapter are collected.

SECTION 2. This Act takes effect September 1, 2007.