

Funding Options Matrix

Option	Estimated Amount Generated in DFW 2010-2035	Average Annual Additional Cost To Individuals (Approximate)	Feasibility Analysis	Others Supporting This Option	Straw Vote
End Diversions	\$6,194,000,000	Increase in general tax/fee	Ending diversions means replacing revenue now going to agencies such as the Department of Public Safety from the State Highway Fund with revenue from another source. With a potential General Fund deficit at \$18 billion, it would be nearly impossible to completely eliminate diversions in the 82 nd Legislature. One strategy could be to seek a reduction in diversions over time beginning in the next biennium.	No known specific support at this time	
Index Motor Fuels Tax	By Fuel Efficiency: \$5,808,000,000	\$0	Indexing would raise the motor fuels tax over time based on some measure of inflation, so there is not one large increase. That makes indexing slightly more feasible than a one-time increase in the tax and also it would keep pace with inflation. But, the economy is still not as strong as it could be and legislators are reluctant to pass any new taxes that could burden taxpayers and potentially harm the economy. In addition, some legislators may not support what could be seen as an automatic tax increase.	No known specific support at this time	
	By Hwy Cost Index: \$6,338,000,000	\$49			
	By CPI: \$2,546,000,000	\$20			
Increase Motor Fuels Tax ^{1,2}	By \$0.01/gallon: \$359,000,000	\$4	The last time the motor fuels tax was raised in 1991 there was a budget deficit, redistricting, and TxDOT Sunset to get through. So, it is certainly not impossible even in a difficult session. That being said, there has been almost no call from legislators that now is the time to raise the motor fuels tax. As far as a local motor fuels tax, the collection mechanism would be very complex to implement that, so keeping the motor fuels tax as a statewide source would be the most efficient.	No known specific support at this time	
	By \$0.05/gallon: \$1,794,000,000	\$22			
	By \$0.10/gallon: \$3,588,000,000	\$44			

¹ Used as a statewide funding mechanism only.

² Used as a local funding mechanism only. A local motor fuels tax has the capability to raise slightly more revenue if dedicate solely to transportation within our region.

Option	Estimated Amount Generated in DFW 2010-2035	Average Annual Additional Cost To Individuals (Approximate)	Feasibility Analysis	Others Supporting This Option	Straw Vote
Increase Vehicle Registration Fee ^{3,4}	By 33 percent: \$2,409,000,000	\$20	Texas' vehicle registration fees are low in comparison to other states. In addition, there is some discussion of moving to a simplified structure, which would provide an opportunity to look at increasing the fees statewide. There is precedent for raising additional local vehicle registration fees (Hidalgo County has a \$10 additional fee), but again, the likelihood of any additional taxes and fees is slim in this session.	No known specific support at this time	
	By 67 percent: \$4,890,000,000	\$40			
	By 100 percent: \$6,194,000,000	\$60			
Redirect One Percent of the 6.25 Percent Motor Vehicle Sales Tax to Transportation	\$2,917,000,000	Increase in general tax/fee	The motor vehicle sales tax can be seen as a transportation-related tax, but the revenues go entirely to the General Fund. This would not call for an increase in the current tax rate, but rather redirect a portion of the revenue to transportation purposes. This would require replacing the revenue in the General Fund and as previous stated this would be difficult given the projected deficit in the General Fund.	No known specific support at this time	
Redirect Transportation Fees/Taxes Going to General Fund to Transportation	\$14,096,000,000	Increase in general tax/fee	This would include redirecting a variety of transportation-related taxes and fees from the General Fund to transportation. Fees include motor vehicle sales tax, motor vehicle rental fees, personalized license plate fees, etc. This would require replacing the revenue (which would be a larger amount than in the previous row) in the General Fund and as previous stated this would be difficult given the projected deficit in the General Fund.	No known specific support at this time	
Eliminate Sales Tax Exemption on Motor Fuels (i.e., add sales tax to gasoline and diesel purchases)	\$13,668,000,000	\$100	This is a relatively new concept which would add a sales tax to the purchase of motor fuels. The options would be for only the 6.25 percent state sales tax to be added (estimated revenue based on this option) or for the 2 percent local sales tax to be added as well. The key would be directing the state portion to transportation, rather than the General Fund. Again, the likelihood of any tax increase is not good in the economic climate facing the state.	No known specific support at this time	

³ Used as a statewide funding mechanism only.

⁴ Used as a local funding mechanism only.

**SH 161 Regional Toll Revenue (RTR) Funding
County Distribution Calculations¹**

County	NTTA TollTag ²	NTTA Cash ³	TxTag Transactions ⁴	Sum of Transaction Values	Percentage of Total ⁵	Original Share of \$50 M	Tarrant County Revenue (\$2.4M) Sent to Eastern Subregion ⁶	Prorated Percentage Applied to \$2.4 M from Tarrant County Revenue ⁷	Revenue Added from Tarrant County ⁸	Share of \$50M
Collin	\$9,848,431	\$283,820	\$198,293	\$10,330,545	36.148%	\$18,074,175	\$0	39.48%	\$947,484	\$19,021,65
Dallas	\$8,901,602	\$496,120	\$185,796	\$9,583,518	33.534%	\$16,767,186	\$0	36.62%	\$878,969	\$17,646,15
Denton	\$5,203,378	\$227,486	\$185,104	\$5,615,968	19.651%	\$9,825,618	\$0	21.46%	\$515,078	\$10,340,69
Ellis	\$109,326	\$16,674	\$5,911	\$131,911	0.462%	\$230,789	\$0	0.50%	\$12,098	\$242,88
Hood	\$10,874	\$3,983	\$2,115	\$16,972	0.059%	\$29,694	\$0	0.00%	\$0	\$29,69
Hunt	\$57,253	\$13,621	\$2,779	\$73,652	0.258%	\$128,861	\$0	0.28%	\$6,719	\$135,58
Johnson	\$37,402	11,496	\$7,959	\$56,857	0.199%	\$99,476	\$0	0.00%	\$0	\$99,47
Kaufman	\$74,818	\$9,029	\$3,405	\$87,252	0.305%	\$152,654	\$0	0.33%	\$7,960	\$160,61
Parker	\$26,577	10,249	\$3,384	\$40,210	0.141%	\$70,351	\$0	0.00%	\$0	\$70,35
Rockwall	\$313,846	\$23,383	\$7,459	\$344,688	1.206%	\$603,062	\$0	1.31%	\$31,445	\$634,50
Tarrant	\$1,824,131	\$314,325	\$131,824	\$2,270,280	7.944%	\$3,972,050	\$2,400,000	0.00%	\$0	\$1,572,05
Wise	\$18,025	\$5,862	\$2,453	\$26,340	0.092%	\$46,084	\$0	0.00%	\$0	\$46,08
	\$26,425,662	\$1,416,048	\$736,482	\$28,578,192	100.000%	\$50,000,000	\$2,400,000	99.99%	\$2,399,753	\$49,999,75

Notes:

- ¹ The value of toll transactions is determined using the total toll transactions in January 2010.
- ² NTTA provided county allocation of TollTag transactions
- ³ NTTA provided cash transaction values at toll gantries; NCTCOG provided county allocation using data from the Regional Travel Demand Model.
- ⁴ TxDOT provided county allocation of TxTag transactions for January 2010.
- ⁵ These percentages will be used to allocate excess toll revenue from the SH 161 Excess Revenue payment.
- ⁶ Per RTC action on February 10, 2010, Tarrant County sends \$2.4 M top the Eastern Subregion as part of the SH 161/Southwest Parkway agreement.
- ⁷ Prorated based upon the total Sum of Transaction Values not including Tarrant County values.
- ⁸ Prorated share of Tarrant County revenue.