



GREATER HOUSTON PARTNERSHIP
houston.org

**Joint Transportation Committee Hearing
February 1, 2010
8:00 a.m.**

Invited Testimony- Jeff Moseley

Introduction

Good morning, Chairman Carona, Chairman Pickett and committee members. Thank you for inviting me to speak today. I am Jeff Moseley, President and CEO of the Greater Houston Partnership. The Partnership is the primary business advocate for the 10-county Houston region.

I also serve as an Executive and Board Member of the Gulf Coast Regional Mobility Partners (GCRMP). The GCRMP is an advocacy group comprised of city, county and regional leaders who recognize the importance of regional coordination in addressing mobility needs.

On behalf of both groups, I thank you for your efforts to address challenging issues for the State of Texas.

In many ways, infrastructure is the lifeline of the Houston region and the State of Texas. The economy and quality of life for residents is directly tied to the efficiency and safety of our transportation system. The Partnership considers transportation a top priority and has actively engaged in policy and funding issues affecting transportation.

According to TxDOT's most congested list, approximately one-third of the State's bottlenecks are in the Houston region. Today, the annual cost of that congestion is around \$100 million. Tomorrow, with more residents and less reliable shipping, that cost will be much higher.

Like many other areas of Texas, the Houston region's growth is outpacing the capacity of our existing infrastructure. Over the next twenty-five to thirty years, we expect to add 3 million new residents. That is like adding the City of Los Angeles to our population. If nothing is done to bring more funding for new capacity to our roadways and improvements to our rail system, Houston's economy will stall. A negative impact to the Houston region's economy will be felt throughout the state.

Initiatives

Recognizing the dire situation of transportation funding, the Partnership is on record supporting several methods for increased funding:

We support a statewide increase of the motor fuels tax and vehicle registration fees. With the last increase in motor vehicle fuels tax being in 1991, and the last increase of state registration fees in 1984, inflation over time has consumed the value of our investment.

In addition to an increase in the motor fuels tax and vehicle registration fees, we support indexing both to prevent further erosion of their value.

The Partnership also supports local option transportation funding as another viable means of creating revenue. We believe that local options provide the voters and local governments more power to determine how and which projects are funded.

We ask the legislature to revisit the diversion issue, with the exception of the 25% to education. Diversions of transportation funds must be eliminated in order to provide adequate funding to maintain and expand Texas' transportation infrastructure. In the process of reviewing transportation funding that is allocated to non-transportation projects, we need to examine what we absolutely need versus what we want.

The Partnership has also been a steadfast advocate of funding for freight rail improvements. As home to the largest petrochemical complex in the country and the tenth largest port in the world, the Houston region relies heavily on our aging and increasingly congested freight rail system. That rail system brings goods into and out of the Port of Houston. Our rail system serves as a critical connection for the goods that reach communities throughout Texas and, upon completion of the Panama Canal expansion, throughout the Midwest. Nearly 1,000 shippers in the Houston region rely on rail to deliver products used in production throughout the country. Congestion on the Houston rail network already costs those shippers \$428 million each year. And, it limits the region's ability to add commuter and passenger rail at a time when the public would benefit greatly from commute options and lower vehicle emissions.

Call to Action

We acknowledge that any method for increasing revenue will be a hard pill to swallow. The Greater Houston Partnership and Gulf Coast Regional Mobility Partners commit our public support to those legislators who brave the difficult decision to address the State's transportation funding crisis.

We ask that legislators, community and business leaders statewide work together to come to a consensus on transportation funding. This is no longer an urban versus rural issue. For urban areas, increased funding is crucial to addressing congestion and goods movement. For rural areas, that increase in funding can mean safer roadways and more efficient movement of goods to and through your communities.

Everyone in this room is greatly concerned about funding. We must commit ourselves to educating our constituents, communities and members about the critical state of transportation funding in Texas, and the impacts to each of our regions if our funding needs are not addressed.

Conclusion

Urban or rural, we cannot expect economic growth if we do not have the infrastructure in place to accommodate it. Let's consider all of the funding options, and work together to create a solution.

Thank you for allowing me to address you today.