

## PROPOSITION 7 FOR STATE HIGHWAY FUNDING

"The constitutional amendment dedicating certain sales and use tax revenue and motor vehicle sales, use, and rental tax revenue to the state highway fund to provide funding for nontolled roads and the reduction of certain transportation-related debt."

On November 3, 2015, Texas voters will vote on seven proposed constitutional amendments.

The Greater Waco Chamber of Commerce Board of Directors has voted in favor of Proposition 7 and encourages support of this important measure on November 3.

### FOLLOWING IS A BRIEF OVERVIEW OF PROPOSITION 7:

#### What is Proposition 7 and what does it do?

Proposition 7 is a proposed constitutional amendment authorized by SJR 5 passed in the 84th Texas Legislature. Proposition 7 dedicates additional funding for the construction and maintenance of roads with portions of the general sales tax and the motor vehicle sales tax to the state highway fund.

#### How can these funds be used?

The use of dedicated funds by Proposition 7 are limited to purchase of right of ways, construction and maintenance of non-tolled highways and payments to general obligation bonds issued by TxDOT.

**Funds cannot be used for toll roads.**

#### Where does the money come from?

Above the first \$28 billion dollars in state general sales tax revenue, the next \$2.5 billion will be directed to the state highway fund. In addition, thirty-five percent above the first \$5 billion generated by the motor vehicle sales tax will be directed to the state highway.

#### How much money will Proposition 7 dedicate to the state highway fund?

The Texas Legislative Budget Board estimates these additional tax dollars will increase the state highway fund by \$2.5 billion in 2018 and \$2.9 billion in 2020.

#### Will Proposition 7 raise my taxes?

No. Voting "yes" on Proposition 7 will not raise your taxes. Proposition 7 directs portions of existing funding streams to the state highway fund.

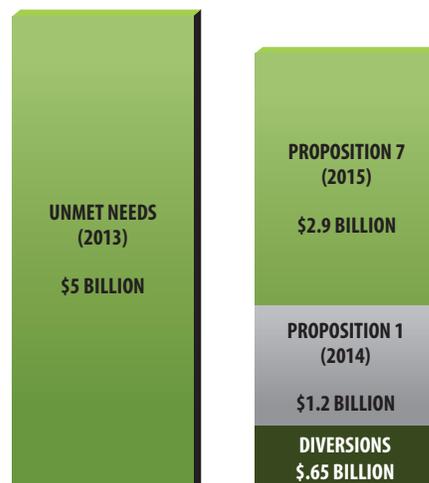
#### Why is state highway funding important?

Texas has more than 79,000 miles of state highways

to maintain and demands to build new highways and interchanges to prevent congestion and efficiently transport goods and services. In 2013, the Texas Department of Transportation (TxDOT) estimated a gap in funds of \$5 billion annually to meet our state highway needs.

#### Does this solve the transportation funding problem in Texas?

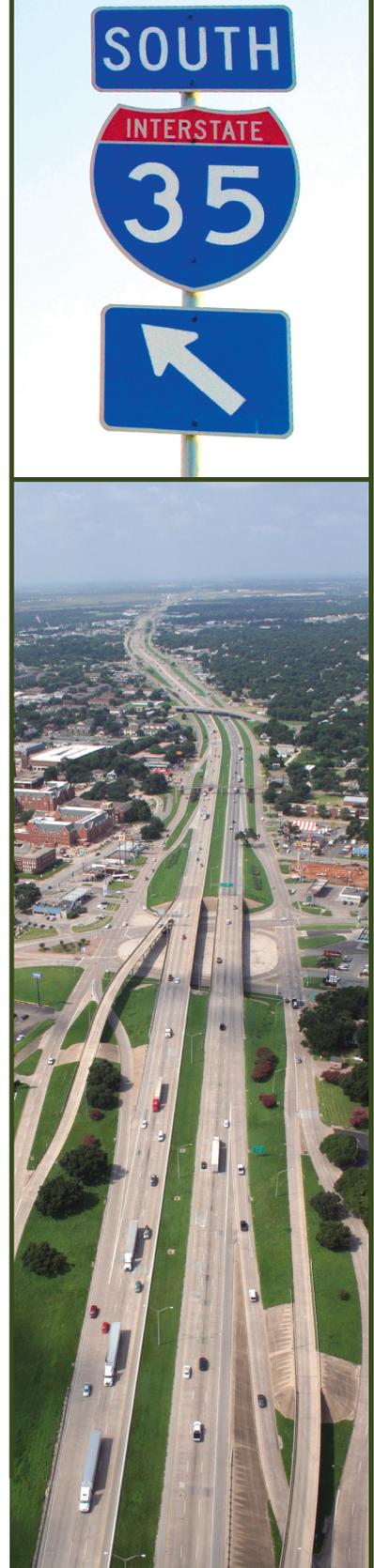
With passage of Proposition 7, Texas would add \$2.9 billion in funds to address our unmet needs each year. With passage, the combination of Proposition 7 with Proposition 1 (2014) and additional funds appropriated by legislators should equip TxDOT with significant funds to construct and maintain our highways to meet the needs of Texas.



TEXAS HIGHWAY FUNDING

#### Sources:

- "84(R) History for SJR 5." Texas Legislature Online.
- "Secretary Cascos Draws Constitutional Amendment Order for Nov. 3 Election." Texas Secretary of State (17 June 2015).
- Batheja, Aman. "House, Senate Leaders Confirm Transportation Funding Deal." The Texas Tribune (26 May 2015).
- Wear, Ben. "TxDOT Funding Amendment on the Way to Voters after House Vote." Austin American-Statesman (30 May 2015).



**Yes**  
SUPPORT PROP 7