



CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY

July 25, 2018
AGENDA ITEM #15

Consider and take appropriate action on the
Qualified Veterans Discount Program

Strategic Plan Relevance:	Regional Mobility
Department:	Operations
Contact:	Tracie Brown, Director of Operations
Associated Costs:	~ \$1M (1.4%) revenue loss in CY 2018
Funding Source:	Operations Budget
Action Requested:	Consider and act on draft resolution

Summary:

Texas House Bill 3139, which became effective on September 1, 2009, allows (but does not require) a toll project entity to establish a discount program for certain qualified veterans. Qualifying veterans are those who meet the Texas Department of Motor Vehicle's requirements for Congressional Medal of Honor, Legion of Valor, Purple Heart awards and disabled veteran license plates.

The legislation specified that the program, if implemented, must include free or discounted use of the entity's toll project by qualified veterans whose plates are associated with an electronic toll tag. The bill authorized the legislature to appropriate funds from the general revenue fund to a toll project entity to defray the cost of providing free or discounted use of the entity's toll project under these provisions.

The CTRMA Board of Directors issued a resolution in support of HB 3139 in December 2009. The resolution authorized the Executive Director to design a program that provided free or discounted tolls on CTRMA toll roads for the veteran classes outlined in HB 3139. The resolution also directed the Executive Director to present the program for the Board's consideration at a future date once the State of Texas appropriated and made available funds sufficient to defray the full cost of the proposed program.

Data received from the Texas Department of Transportation indicates that the number of eligible veteran plates through April 2018 is 347,000. Of this number, approximately 66 percent are considered “primary”, or registered to the veteran alone, while the remaining 34 percent are additional vehicles in the eligible veterans’ households.

While not funded through an appropriation from the State, staff has outlined a program that seeks to balance the spirit of the legislation, the desires of our valued veteran customer base and good financial stewardship. The program presented for the Board’s consideration provides one toll discount per qualified veteran plate that is associated with an electronic toll tag. Due to the nature of congestion-based toll pricing, the program expressly excludes express lane facilities. The program requires participating veterans to register using the Mobility Authority’s online portal and resolve all outstanding tolls before acceptance into the program.

Stantec, the Mobility Authority’s traffic and revenue consultant, reviewed traffic and revenue data from TxDOT’s Central Texas Turnpike System (CTTS) and Texas veteran plate information to estimate the impact to the system forecasts as presented in the Mobility Authority 2015 Traffic & Revenue Study, dated October 29, 2015. This analysis found that the proposed program would result in revenue losses of \$1 million (1.4%) of total revenue in calendar year 2018.

Stantec also evaluated extending the exemption to two qualified plates per veteran. The analysis found that the revenue loss would increase to \$1.4 million or 1.85% of total revenue in calendar year 2018.

Upon Board approval of the program, staff will proceed with developing the customer-facing communications information, design the registration portal and refine reports and processes to ensure a smooth implementation. In September 2018 staff will bring a number of changes to the *Mobility Authority Policy Code* for the Board’s consideration, including adding qualified veterans to the current list of exemptions. The program is projected go into effect in November 2018 assuming the Board’s concurrence.

Staff recommends a discount program limited to one qualified plate per veteran as described above for approval.

Backup Provided: Draft Resolution

**GENERAL MEETING OF THE BOARD OF DIRECTORS
OF THE
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

RESOLUTION NO. 18-0XX

**APPROVAL OF A MOBILITY AUTHORITY QUALIFIED
VETERANS DISCOUNT PROGRAM**

WHEREAS, in 2009, the 81st Texas Legislature passed and the Governor signed H.B. 3139, which took effect on September 1, 2009; and

WHEREAS, Section 372.053 of the Transportation Code, enacted by H.B. 3139, authorizes a toll project entity such as the Central Texas Regional Mobility Authority to establish a program for free or discounted use of a toll project for a vehicle registered under Transportation Code § 504.202 [disabled veterans], § 504.315(g) [“recipients of the Purple Heart”], or to “a person who has received the Medal of Honor;” and

WHEREAS, in subsection (b) of Section 372.053, the Legislature provided that “the legislature may appropriate funds from the general revenue fund to a toll project entity to defray the cost of providing free or discounted use of the entity's toll project ...”; and

WHEREAS, the Board of Directors supported through resolution establishing a program to provide free or discounted use of CTRMA’s toll projects to vehicles eligible under Section 372.053, provided that the State of Texas, rather than the other users of CTRMA toll projects, defrayed the cost of that program.

WHEREAS, by Resolution No. 10-106, dated December 8, 2010, the Board authorized the Executive Director to begin designing a program to provide free or discounted use of CTRMA toll projects to vehicles eligible under Section 372.053; and

WHEREAS, the Board of Directors directed the Executive Director to bring the proposed program to the Board for its approval when the State of Texas appropriated and made available to CTRMA sufficient funds to defray the full cost of the proposed program; and

WHEREAS, the Executive Director has brought forth an unfunded program to provide toll discounts to certain classes of veterans whose vehicles are associated with an electronic toll tag; and

WHEREAS, this program restricts the discounts to one per eligible veteran and to apply only to non-managed lane facilities operated by CTRMA; and

WHEREAS, this program requires eligible veterans to resolve any outstanding tolls and register with the Mobility Authority before program participation.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors authorizes the Executive Director to continue with implementation of a program to provide free or discounted use of CTRMA toll projects to veteran's eligible under Section 372.053 with the restrictions noted above; and

BE IT FURTHER RESOLVED that changes to the Toll Policies contained in the Mobility Authority's Policy Code necessary to implement the program described herein be presented to the Board for approval; and

BE IT FURTHER RESOLVED that, while the Mobility Authority may proceed with absorbing the financial impact of the program, the Executive Director is directed to request that the State of Texas appropriate and make available to CTRMA sufficient funds to defray the full cost of the discount program.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 25th day of July 2018.

Submitted and reviewed by:

Approved:

Geoff Petrov, General Counsel

Ray A. Wilkerson
Chairman, Board of Directors