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Schnurman: Regional transit bill easier to accept if you look at the timing

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If your kid maxes out a credit card, you don't just hand him a new one. But co-sign his college loan? That's another matter, because the investment and timing are so important, and the payoff can be huge.

Take a similar view of the regional transit bill passed by the state Senate last week, and it's easier to accept.

It pains me to see local governments connive new ways to raise taxes, especially after they tapped out their existing sources, often for dubious purposes. But it's more important, by far, to get rolling on a regional rail solution for North Texas — even if a 6-cent increase in the gas tax is the best we can do.

Our clogged roads and polluted air cry out for a major push on a commuter rail. And if a transit bill doesn't get through the current Legislature, we'll have to draft a new long-range mobility plan that would put North Texas even further behind the curve.

Not a good place to be with the area's population projected to add 3 million residents in the next two decades.

"We're the fastest-growing region in the United States, and we should be worried about how we're going to sustain it," said Michael Morris, transportation director for the North Central Texas Council of Governments, the umbrella agency coordinating the transit plan.

This feels like the federal debate over bailing out big banks and giant insurer AIG. Nobody wanted to reward business failure (remember moral hazard?), but keeping the economy afloat was a much higher priority.

Instead of loose lending and over-the-top executive pay, the trouble with transit funding is that too many local cities opted to spend their money elsewhere. They had other priorities.

Bravo to Dallas and a dozen other communities that put half their local sales tax (1 cent per dollar) into the DART system. DART's light-rail success has won thousands of converts and demonstrated that rail-oriented development can be a winner in North Texas.

Give credit to Fort Worth, too, for committing half a cent to The T and rapidly expanding its program.

Twenty cities are members of mass-transit authorities in Dallas, Fort Worth and Denton, according to Senate testimony by Justin Keener of the Texas Public Policy Foundation. But 205 cities elected to opt out, with many increasing their sales tax — often by half a cent — for subsidies to businesses and other purposes.

Bedford, Burleson, Haltom City, Sanger and Mansfield are among the many that have separate tax funds for "economic development." Euless, Kennedale and Mesquite use the same tool to lower property taxes.

Some cities have sales-tax funds to pay for libraries, recreation and parks. The most popular application is for crime-control districts.

In all these cases, cities and their voters could have devoted sales tax to mass transit. Two years ago, the Legislature even amended the law on so-called 4A and 4B economic-development programs, so those funds could be spent on transportation.

No local cities changed their approach, Morris said, despite the urgency about commuter rail.

"This isn't a transportation funding crisis," said Keener, whose Austin group promotes low taxes and small government. "It's a funding priority crisis."

Morris' agency surveyed local communities last year to see whether they might devote sales-tax revenue to rail development. The vast majority were already tapped out, with commitments to a range of projects with bond debts that last a decade or two.

Duncanville needs sales-tax revenue for debt payments on a StarCenter ice rink, Morris said. Arlington devotes a half-cent to the new Cowboys stadium and another quarter-cent to streets.

When might Arlington be able to put sales tax into transit? the survey asked.

"Possibly in 20 years," the city reported.

Bedford doesn't foresee such sales-tax revenue "ever being available." In Euless, possibly in 2019. In Mansfield, possibly 2024.

"A lot of cities probably wish they could do it over again and use that money for rail," Morris said, noting that rail stations along the DART line have become an economic catalyst. "But they just don't have the capacity now. Or they're using the money to supplement operating costs, and they'd have to raise property taxes [if sales tax was diverted]."

That's not going to happen, so local leaders developed a regional funding plan. Initially, they proposed a sales-tax increase across the area, but businesses opposed the idea.

So lawmakers crafted a plan with a menu of taxing options, starting with higher taxes on gasoline. A series of new fees include up to $15 for emissions, up to $60 for car registrations and up to $250 for people who register a car from out of state.

Welcome to Texas!

Morris said this area would probably limit its fundraising to a gas tax (6 cents per gallon should do it, but the bill permits up to 10 cents) and higher driver's license renewal fees. It's also important to note that the Senate bill does not impose the new taxes; it just gives communities the option to propose them — then voters must OK the levies.

As the bill advanced last week, it grew larger and more convoluted and expanded from North Texas to other parts of the state.

Provisions now allow the taxes for sidewalks and hiking and biking trails, nice amenities, to be sure, but usually funded from existing revenue sources.

Many new fees have an exclusion for low-income residents. The Senate bill calls for a low-income assistance program to help some riders.

Generous gestures maybe, but too much of the hodgepodge that makes taxes so frustrating. And yet another reason for lawmakers to hold their nose when they vote for this.