



FOR IMMEDIATE RELEASE

Contact: Jeff Austin, III  
903-541-2093  
Fax: 903-593-2518  
www.netrma.org

## TOLL 49 – SEGMENT 5 PROGRESS HALTED INDEFINITELY

Tyler, Texas – June 3, 2009 – The North East Texas Regional Mobility Authority (NET RMA) has learned that Toll 49 Segment 5, which was scheduled for construction letting this summer, has been halted indefinitely due to issues with Proposition 14 bonding. The Texas Transportation Commission (TTC) approved the issuance of up to \$1.5 billion in Proposition 14 bonds at its October 30, 2008 meeting, with \$20 million in funding designated for Toll 49 Segment 5 between FM 756 and SH 110.

Under Proposition 14, the TTC was authorized to issue bonds to accelerate projects by borrowing money up front and paying it back over time. On August 19, 2008 the TTC received a letter from Governor Rick Perry, Lieutenant Governor David Dewhurst, and former Speaker of the House Tom Craddick (see attachment) requesting that the TTC use any funds available under Proposition 14, and indicated that legislative leadership would end funding diversions by an amount sufficient to cover debt service payments on the bonds. However, neither the House nor Senate achieved that goal during this legislative session, so projects that are scheduled to be funded with Proposition 14 bonds will be halted.

NET RMA Chairman Jeff Austin, III said that the inability for the legislature to reach an agreement regarding Proposition 14 bonds is hurting economic development locally and statewide.

"I am very disappointed in the attitude and leadership of the legislature in not reaching a consensus to help solve these problems," Austin said. "We are experiencing a lot of finger pointing, when what we need are solutions. The citizens of Texas are getting tired of seeing projects stop and start over and over again."

Toll 49 Segment 5 is the only segment slated to be funded through Proposition 14 bonds; Segment 3A will receive funding through the Federal economic stimulus package, and the NET RMA is in planning to submit Segment 3B to the bond market.

### **About the NET RMA**

The NET RMA is an independent government agency created to accelerate the development of transportation projects in North East Texas. Our mission is to implement transportation solutions that will enhance the quality of life and the economic environment in our area. The NET RMA is governed by a 19-

member board of directors that represent each of the member counties: Bowie, Cass, Cherokee, Gregg, Harrison, Panola, Rusk, Smith, Titus, Upshur, Wood, and Van Zandt. Texas RMAs were made possible through an initiative passed by state legislature in 2001. The NET RMA was established in October 2004.

###

DRAFT