

Dewhurst considers steering some sales taxes to road projects

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Lt. Gov. David Dewhurst said Tuesday that he wouldn't support a tax increase to fund the state's exploding transportation needs, though he did have an idea for where to get some of the money needed to build roads.

Dewhurst said he would study whether to allow sales taxes from businesses on or near new roads to be diverted from the state's general revenue fund to pay the principal and interest on the transportation project. The businesses and the new roads would in essence form a domain similar to a tax increment finance district.

"I'm not going to call for a huge increase in taxes in the middle of a recession," Dewhurst told *The Dallas Morning News'* editorial board. "We're going to need to widen a lot of roads, to build a lot of roads. The question is, where will you look first?"

His plan would require legislation, which Dewhurst said passed through the Senate this year but died in the House.

The lieutenant governor is the second high-ranking state official to publicly acknowledge that Texas needs more money for roads.

Last month, Gov. [Rick Perry](#) called on state and local officials to find ways to fund transportation projects.

Transportation officials say that without action, highways developed after the start of 2012 won't have the money to get rolling. Options include construction of toll roads, increases in fuel taxes and borrowing.

Dewhurst said the state needs a solution, and he declined to rule out tax increases in future years.