

• CRITICAL INFRASTRUCTURE • FOR TEXAS GROWTH



Infrastructure investment expands the production possibility frontier of the economy, enabling the Texas economy to grow further.

TEXAS IS GROWING

- ★ 200,000 new residents each year
- ★ 40.9 million population by 2048
- ★ 44% population increase

ECONOMIC IMPACT OF INFRASTRUCTURE SPENDING

- ★ 1.8 = multiplier effect of infrastructure spending
- ★ 1.6% of GSP represented by direct infrastructure spending
- ★ 2.9% GSP indirect impact
- ★ \$53.9 billion for 2019
- ★ \$70.3 billion per year average for 30 years

INFRASTRUCTURE INVESTMENT BOOSTS PRIVATE SECTOR PRODUCTIVITY

If allowed to grow to meet natural demand, infrastructure will drive an estimated 10.1% of growth in the Texas economy over the next 30 years.

- ★ 2.9% from spending on infrastructure projects
- ★ 7.2% from productivity boosted in economy as a result of projects

Infrastructure Benefits All Texans

- ★ Enhances the mobility of people, goods and services
- ★ Powers and provides citizens with increased business and work opportunities
- ★ Affects the health and well-being of urban and rural communities
- ★ Advances Texas' competitive advantage in the worldwide marketplace

Infrastructure Investment is Critical to the Economic Well-Being of Texas

- ★ Expands the capital stock of the Texas economy
- ★ Drives the production and delivery of goods and services
- ★ Positively affects business and household incomes
- ★ Provides jobs and income to millions of Texans
- ★ Spending on infrastructure in Texas is projected to average **\$38 billion** per year going forward to 2048.

The spending itself is an important part of the economy, providing jobs and income to millions of Texans.



By 2048, this increased rate of economic growth will generate a 7.2% increase in GSP for Texas, or \$268 billion.

OIL & NATURAL GAS PIPELINES

Production could be held back from its full potential as takeaway capacity lags oil production growth.

Not only would the decline in these drivers of the Texas economy hurt government revenues, it would dampen overall economic growth in Texas.



TRANSPORTATION

In the next 10 years, there are 7,395 road construction projects expected to begin, with an estimated total cost of over \$84 billion.

Texas's economy will take a hit if transportation infrastructure does not improve.



PORTS

Large amounts of commodities and billions in value pass through the State's port facilities annually.

Maintaining and expanding the capacities and operating efficiencies of the port facilities requires substantial levels of investment in infrastructure.



POWER

Even with improving energy efficiency, power demand is growing nationally, and it is growing even faster in Texas, with the state's strong economy and increasing population.

Expected power flows will require transmission system improvements as well as net new installations to deliver power from supply locations to demand areas.



WATER AND SEWER

Water demand in Texas will increase from about 18.4 million acre-feet per year in 2020 to about 21.6 million in 2070. Spending on water and sewer infrastructure will need to average \$6 billion per year.

An adequate water supply which meets projected growth is necessary if Texas is to prosper and grow as it has in recent decades.

