

TEXAS TRANSPORTATION COMMISSION

ALL Counties

MINUTE ORDER

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ALL Districts

Transportation Code, §222.053(a), defines an “economically disadvantaged county” as a county that has, in comparison to other counties in the state: (1) below average per capita taxable property value; (2) below average per capita income; and (3) above average unemployment.

Transportation Code, §222.053(a-1), provides that, notwithstanding Transportation Code §222.053(a), a county is considered to be an “economically disadvantaged county” if it meets the criteria as laid out in subsection (a) within the past six years and has been included in no less than five federally declared disasters within the same time period. Transportation Code, §222.053(a-2), provides that, for a county described by subsection (a-1), the adjustment to the local matching funds requirement shall be equivalent to the highest adjustment rate set in the last year the county was considered to meet the criteria.

Transportation Code, §222.053(c), directs the Texas Transportation Commission (commission), when evaluating a proposal for a highway project in a political subdivision that consists of all or a portion of an economically disadvantaged county, to adjust the minimum local matching funds requirement after evaluating the political subdivision's effort and ability to meet the requirement.

Transportation Code, §222.053(e), requires the commission to report annually to the governor, lieutenant governor, and the speaker of the house of representatives on the use of matching funds and local incentives and the ability of the commission to ensure that political subdivisions located in economically disadvantaged counties have equal ability to compete for highway funding with political subdivisions in counties that are not economically disadvantaged.

Transportation Code, §222.053(f), requires the commission to certify a county as economically disadvantaged on an annual basis as soon as possible after the Comptroller of Public Accounts (comptroller) provides reports on the economic indicators listed above.

Transportation Code, §222.053(h), allows the commission to delegate any of its duties or powers under this section to the director or the director’s designee.

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Title 43 Texas Administrative Code (TAC) §15.55(b)(2) provides that, for a county described by Transportation Code, §222.053(a), in determining the adjustment to the local matching funds requirement, and the local government's efforts and ability to meet the requirement, the commission will consider a local government's: (A) population level; (B) bonded indebtedness; (C) tax base; (D) tax rate; (E) extent of in-kind resources available; and (F) economic development sales tax. Title 43 TAC §15.55(b)(3) provides that, for a county described by Transportation Code, §222.053(a-1), the adjustment will be equivalent to the highest adjustment rate set in the last year the county was considered to meet the criteria set out in Transportation Code, §222.053(a).

The comptroller has provided the data needed to determine the counties eligible for the Economically Disadvantaged Counties Program for Fiscal Year (FY) 2026. The commission has considered the counties' efforts and ability to provide a local match using the criteria set forth in 43 TAC §15.55(b)(2).

In addition, the Texas Department of Transportation has reviewed disaster declarations issued by the Federal Emergency Management Agency through the month of December 2024 in order to comply with the requirements of Transportation Code, §222.053(a-1). Exhibit A lists the eligible counties and the respective recommended local match adjustments. Exhibit B establishes additional local match adjustments for cities within these counties participating in the program.

IT IS THEREFORE ORDERED by the commission that the list of counties eligible for the FY 2026 Economically Disadvantaged Counties Program is certified and the local match adjustment for each county is established, as shown in exhibit A, as well as additional adjustments for cities participating in the program, as shown in exhibit B.

IT IS THEREFORE ORDERED by the commission that the annual reporting responsibilities for FY 2025 be delegated to the executive director or the executive director's designee.

Submitted and reviewed by:

Recommended by:

Signed by:

Humberto Gonzalez Jr. P.E.

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Director, Transportation Planning and
Programming Division

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W. Williams

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Executive Director

117051 September 25, 2025

Minute Number	Date Passed
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EXHIBIT A

Economically Disadvantaged Counties Fiscal Year 2026

Eligible Counties	Rate %
Anderson County	72
Angelina County	65
Bailey County	31
Bee County	86
Bell County	75
Bexar County*	41
Bowie County	70
Brazoria County	60
Brooks County*	45
Brown County*	66
Calhoun County*	32
Cameron County	85
Camp County	69
Cass County	66
Cherokee County	67
Cochran County*	65
Coleman County*	56
Coryell County	88
Crosby County	41
Dawson County	27
Delta County	57
Dickens County	27
Dimmit County	45
Duval County	31
Eastland County	57
El Paso County	71
Falls County	56
Floyd County	42
Franklin County*	40
Freestone County	73
Frio County	64
Gregg County	60
Grimes County	69
Hale County	61
Hardeman County	42

Eligible Counties	Rate %
Hardin County	49
Harrison County	73
Haskell County	52
Henderson County	67
Hidalgo County	82
Hill County	61
Hockley County*	43
Houston County	61
Hudspeth County	65
Hutchinson County	51
Jack County	54
Jasper County	50
Jefferson County	72
Jim Hogg County	27
Jim Wells County	43
Jones County*	77
Kinney County	59
Kleberg County	48
Lamar County	73
Leon County*	43
Liberty County	76
Limestone County	53
Live Oak County	56
Madison County	68
Marion County	54
Matagorda County	63
Maverick County	86
McCulloch County	39
Milam County	52
Mills County*	53
Morris County	51
Nacogdoches County	66
Navarro County	71
Newton County	55
Nueces County	71

Eligible Counties	Rate %
Orange County	57
Panola County	49
Polk County	58
Rains County	67
Real County	33
Red River County	34
Refugio County	24
Robertson County	47
Rusk County	63
Sabine County	73
San Augustine County	58
San Jacinto County	60
San Patricio County	56
Schleicher County	22
Shelby County*	54
Somervell County*	17
Starr County	75
Stephens County	56
Titus County*	63
Trinity County	56
Tyler County	46
Upshur County	65
Uvalde County	49
Val Verde County	65
Van Zandt County	68
Victoria County	58
Walker County	92
Waller County	54
Webb County	80
Wharton County	56
Willacy County	67
Wood County	60
Zapata County	62
Zavala County	48

* Counties eligible under disaster criteria have met the standard criteria within the last six years and have been included in no less than five federally declared disasters within the same time period.

EXHIBIT B

Additional Adjustments for Cities Within an Economically Disadvantaged County Fiscal Year 2026

Every eligible county receives an adjustment to its local match requirement ranging from 15% (minimum) to 95% (maximum). A city within an economically disadvantaged county receives an adjustment equal to the adjustment for the county in which it is located, with the possibility of up to 10 additional percentage points based on its population and the existence of an economic development sales tax.

The two following tables depict the additional percentage points that cities may be granted.

Economic Development Sales Tax:

	Additional Percentage
YES	5%
NO	0%

Population:

	Additional Percentage
$x \leq 1,000$	5%
$1,000 < x \leq 2,000$	4%
$2,000 < x \leq 3,000$	3%
$3,000 < x \leq 4,000$	2%
$4,000 < x \leq 5,000$	1%
$x > 5,000$	0%