

BILL ANALYSIS

Senate Research Center

C.S.H.J.R. 28
By: Pickett (Lucio)
Finance
5/23/2003
Committee Report (Substituted)

DIGEST AND PURPOSE

C.S.H.J.R. 28 requires the submission to the voters of a constitutional amendment authorizing the Texas Transportation Commission to authorize the Texas Department of Transportation to borrow money from any source for transportation-related projects.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Article III, Texas Constitution, by adding Sections 49-m and 49-n, as follows:

Sec. 49-m. (a) Authorizes the legislature, by law, to authorize the Texas Transportation Commission (TTC) or its successor to authorize the Texas Department of Transportation (TxDOT) or its successor to issue notes or borrow money from any source to carry out the functions of TxDOT.

(b) Prohibits notes issued or a loan obtained under this section from having a term of more than two years. Authorizes the legislature to appropriate money dedicated by Sections 7-a and 7-b, Article VIII, of this constitution for the purposes of paying a debt created by the notes or loan.

Sec. 49-n. (a) Authorizes the legislature, to fund highway improvement projects, to authorize TTC or its successor to issue bonds and other public securities and enter into bond enhancement agreements that are payable from revenue deposited to the credit of the state highway fund.

(b) Authorizes proceeds from the sale of bonds and other public securities issued under this section to only be used to provide funding for certain projects or short-term financing of certain turnpike project costs.

(c) Defines "Texas Highway Trunk System."

(d) Provides that in each fiscal year in which amounts become due under the bonds, other public securities, or agreements authorized by this section, there is appropriated from the revenue deposited to the credit of the state highway fund in that fiscal year an amount that is sufficient to pay certain expenses.

(e) Prohibits any dedication or appropriation of revenue to the credit of the state highway fund from being modified so as to impair any outstanding bonds or other public securities secured by a pledge of that revenue unless provisions have been made for a full discharge of those securities.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 4, 2003. Requires the ballot to be printed to permit voting for

or against a certain proposition.