

BILL ANALYSIS

Senate Research Center
78R8401 ESH-D

S.B. 1082
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Infrastructure Development and Security
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DIGEST AND PURPOSE

Currently, the Texas Department of Transportation's (TxDOT) shortage of available funds causes TxDOT to purchase rights-of-way only when a project is well underway. The ability to purchase rights-of-way earlier in the process could allow TxDOT to acquire land at lower costs. As proposed, S.B. 1082 allows TxDOT, in agreement with the State Board of Education, to borrow funds from the permanent school fund to purchase rights-of-way for the state highway system. This bill defines such loans as an investment of the permanent school fund.

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 Chapter 222A, Transportation Code, by adding Section 222.003, as follows:

Sec. 222.003. LOANS FROM PERMANENT SCHOOL FUND. (a) Authorizes the Texas Department of Transportation (TxDOT), on terms and conditions agreed on by TxDOT and the State Board of Education (SBOE), to borrow from the permanent school fund to acquire rights-of-way for the state highway system.

(b) Requires the agreement governing the loan to provide for the payment of interest recalculated semiannually to the greater of certain interest rate indicators.

(c) Requires the agreement to be secured by a pledge of the first money coming into the state highway fund.

SECTION 2. Amends Chapter 43, Education Code, by adding Section 43.020, as follows:

Sec. 43.020. LOANS FOR HIGHWAY RIGHTS-OF-WAY. (a) Authorizes the SBOE, as provided by Article VII, Section 5A of the Texas Constitution (Permanent School Fund; Available School Fund; Use of Funds; Distribution of School Fund) to make loans from the permanent school fund to TxDOT for acquiring rights-of-way for the highway system.

(b) Provides that the loans are considered an investment and requires the SBOE to make its best efforts to provide the loans on request of TxDOT.

SECTION 3. Effective date: effective date of the related Joint Resolution if approved by the voters.