

BILL ANALYSIS

Senate Research Center

S.B. 1082
By: Ogden
Infrastructure Development and Security
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Enrolled

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. 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.

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 Subchapter A, Chapter 222, 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) Authorizes the State Board of Education (SBOE) to make a loan under this section upon determining that the terms of the agreement governing the loan provide for the payment of interest at a rate of at least equal to the greater of certain interest rates.

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

(d) Prohibits TxDOT from using the proceeds of a loan made under this section for the construction of a state highway or other facility of the Trans Texas Corridor. Defines "Trans Texas Corridor."

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.

SECTION 3. Effective date: effective date of the S.J.R. 43, if approved by the voters, otherwise this Act has no effect.