

BILL ANALYSIS

S.J.R. 44
By: Ogden
Transportation
Committee Report (Unamended)

BACKGROUND AND PURPOSE

SJR 44 proposes a constitutional amendment authorizing the legislature to provide for the issuance of bonds secured by the state highway fund for highway improvement projects. This resolution prohibits the total amount of the bonds authorized from exceeding \$5 billion dollars.

RULEMAKING AUTHORITY

It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

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

(a) Authorizes the legislature to authorize the Texas Transportation Commission 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, to fund highway improvement projects. Prohibits the total amount of bonds and other public securities authorized by this section from exceeding \$5 billion.

(b) 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 the principal of and interest on the bonds or other public securities that mature or become due during the fiscal year and any cost related to the bonds and other public securities, including payments under bond enhancement agreements, that becomes due during that fiscal year.

(c) 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.

FOR ELECTION

This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2003.