

Amend CSHB 2702 by striking SECTION 2.02 of the bill (committee printing, page 6, lines 23-32) and substitute the following:

SECTION 2.02. Section 201.115, Transportation Code, is amended by amending Subsections (a), (b), and (c) to read as follows:

(a) The commission may authorize the department to borrow money from any source to carry out the functions of the department.

(b) A loan under this section may be in the form of an agreement, note, contract, or other form as determined by the commission and may contain any provisions the commission considers appropriate, except:

(1) the term of the loan may not exceed two years;

(2) the amount of the loan, combined with any amounts outstanding on other loans under this section, may not exceed an amount that is two times the average monthly revenue deposited to the state highway fund for the 12 months preceding the month of the loan; and

(3) the loan may not create general obligation of the state and is payable only as authorized by legislative appropriation.

(c) If the department [~~commission~~] borrows money by the issuance of notes, the notes shall be considered a state security for purposes of Chapter 1231, Government Code [~~issued in accordance with the requirements of Subchapter N, except that the maturity limitations in Subsection (b) supersede the maturity limitations in Section 201.963~~].