

Amend **HB 3314** by adding the following sections:

SECTION ____ Subchapter A, Chapter 222, Transportation Code, is amended by adding Section 222.004 to read as follows:

Sec. 222.004. ISSUANCE OF GENERAL OBLIGATION BONDS FOR HIGHWAY IMPROVEMENT PROJECTS. (a) The commission may issue general obligation bonds to fund state highway improvement projects.

(b) The aggregate principal amount of the bonds that are issued may not exceed \$5 billion.

(c) The proceeds of bonds issued under this section may not be used for any purpose other than the payment of any costs related to the bonds and the purposes for which revenues are dedicated under Section 7-a, Article VIII, Texas Constitution.

(d) The commission may enter into credit agreements, as defined by Chapter 1371, Government Code, relating to the bonds authorized by this section. The agreements may be secured by and payable from the same sources as the bonds.

(e) All laws affecting the issuance of bonds and other public securities by governmental entities, including Chapters 1201, 1202, 1204, 1207, 1231, and 1371, Government Code, apply to the issuing of bonds and the entering into of credit agreements under this section.

(f) The proceeds of bonds issued under this section may be used to:

(1) finance other funds relating to the bonds, including debt service reserve and contingency; and

(2) pay the cost or expense of the issuance of the bonds.

(g) Bonds issued under this section may be sold in such manner and subject to such terms and provisions as set forth in the order authorizing their issuance, and such bonds must mature not later than 30 years after their dates of issuance, subject to any refundings or renewals.

(h) The comptroller shall pay the principal of the bonds as they mature and the interest as it becomes payable, and shall pay any cost related to the bonds that become due, including payments under credit agreements.

SECTION ____ . Section 222.004, Transportation Code, as added by this Act, takes effect on the date on which the constitutional amendment proposed by S.J.R. No. 64, 80th Legislature, Regular Session, 2007, takes effect. If that amendment is not approved by the voters, that section does not take effect.