

BILL ANALYSIS

S.J.R. 67
By: Ogden
Transportation
Committee Report (Unamended)

BACKGROUND AND PURPOSE

S.J.R. 67 proposes a constitutional amendment to allow the legislature to authorize the Texas Transportation Commission to designate a transportation finance zone (TFZ) in an area defined by the general law that is adjacent to the right-of-way of an existing or proposed state highway, with legislative review and approval. This resolution also allows the sales and use taxes collected within the boundaries of a TFZ to be deposited into a separate account in the Texas Mobility Fund (fund) to be used for the sole purpose of paying the principal of and interest on obligations connected with the state highway that is located in the TFZ. Finally, this resolution authorizes the legislature to limit the amount of money the comptroller of public accounts is authorized to deposit to the credit of the fund in any state fiscal year under this subsection.

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 Section 49-k, Article III, Texas Constitution, by adding Subsection (e-1) and amending Subsection (g), as follows:

(e-1) Authorizes the legislature by general law to authorize the Texas Transportation Commission (commission) to designate as a transportation finance zone (TFZ) an area defined by the general law that is adjacent to the right-of-way of an existing or proposed state highway, if in connection with construction, reconstruction, or expansion of the state highway, including design and right-of-way acquisition costs, the commission has issued and sold obligations or entered into credit agreements under Subsection (d) of this section or proposes to issue and sell obligations or enter into credit agreements under Subsection (d) of this section (Texas Mobility Fund). Requires the designation of an area as a TFZ to be reviewed and approved by the legislature before the designation may take effect.

Dedicates to the Texas Mobility Fund (fund) the proceeds of a state tax that is established by general law and imposed on the first sale of a taxable item in this state or on the first storage, use, or other consumption in this state of a taxable item purchased from a retailer for storage, use, or other consumption in this state, if the first sale or first use is consummated within the boundaries of a TFZ. Allows all proceeds from the taxes to which this subsection applies that are collected within the boundaries of a TFZ to be deposited to the credit of a separate account in the fund. Authorizes money collected within the boundaries of a TFZ and deposited to the credit of the fund under this subsection to be used only for the purpose of paying the principal of an interest on obligations issued under Subsection (d) of this section or a related credit agreement entered into under that subsection in connection with the state highway that is located in that TFZ.

Authorizes the legislature to limit the amount of money the comptroller of public accounts is authorized to deposit to the credit of the fund in any state fiscal year under this subsection.

(g) Makes a conforming change.

EFFECTIVE DATE

This proposed constitutional amendment shall be submitted to the voters at an election to be held November 6, 2007.