

By: Williams, Eltife

S.J.R. No. 65

1 SENATE JOINT RESOLUTION

2 proposing a constitutional amendment authorizing the issuance of
3 general obligation bonds for maintenance, improvement, repair, and
4 construction projects and for the purchase of needed equipment.

5 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Article III, Texas Constitution, is amended by
7 adding Section 50-g to read as follows:

8 Sec. 50-g. (a) The legislature by general law may
9 authorize the Texas Public Finance Authority to provide for, issue,
10 and sell general obligation bonds of the State of Texas in an amount
11 not to exceed \$1 billion and to enter into related credit
12 agreements. The bonds shall be executed in the form, on the terms,
13 and in the denominations, bear interest, and be issued in
14 installments as prescribed by the Texas Public Finance Authority.

15 (b) Proceeds from the sale of the bonds shall be deposited
16 in a separate fund or account within the state treasury created by
17 the comptroller of public accounts for this purpose. Money in the
18 separate fund or account may be used only to pay for:

19 (1) maintenance, improvement, repair, or construction
20 projects authorized by the legislature by general law or the
21 General Appropriations Act and administered by or on behalf of the
22 Texas Building and Procurement Commission, the Parks and Wildlife
23 Department, the adjutant general's department, the Department of
24 State Health Services, the Department of Aging and Disability

1 Services, the Texas School for the Blind and Visually Impaired, the
2 Texas Youth Commission, the Texas Historical Commission, the Texas
3 Department of Criminal Justice, Prairie View A&M University, or the
4 Department of Public Safety of the State of Texas; or

5 (2) the purchase, as authorized by the legislature by
6 general law or the General Appropriations Act, of needed equipment
7 by or on behalf of a state agency listed in Subdivision (1) of this
8 subsection.

9 (c) The maximum net effective interest rate to be borne by
10 bonds issued under this section may be set by general law.

11 (d) While any of the bonds or interest on the bonds
12 authorized by this section is outstanding and unpaid, from the
13 first money coming into the state treasury in each fiscal year not
14 otherwise appropriated by this constitution, an amount sufficient
15 to pay the principal and interest on bonds that mature or become due
16 during the fiscal year and to make payments that become due under a
17 related credit agreement during the fiscal year is appropriated,
18 less the amount in the sinking fund at the close of the previous
19 fiscal year.

20 (e) Bonds issued under this section, after approval by the
21 attorney general, registration by the comptroller of public
22 accounts, and delivery to the purchasers, are incontestable and are
23 general obligations of the State of Texas under this constitution.

24 SECTION 2. This proposed constitutional amendment shall be
25 submitted to the voters at an election to be held November 6, 2007.
26 The ballot shall be printed to permit voting for or against the
27 proposition: "The constitutional amendment authorizing the

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1 issuance of up to \$1 billion in bonds payable from the general
2 revenues of the state for maintenance, improvement, repair, and
3 construction projects and for the purchase of needed equipment."