

1-1 By: Williams S.J.R. No. 65
1-2 (In the Senate - Filed April 16, 2007; April 16, 2007, read
1-3 first time and referred to Committee on Finance; April 30, 2007,
1-4 reported adversely, with favorable Committee Substitute by the
1-5 following vote: Yeas 12, Nays 0; April 30, 2007, sent to printer.)

1-6 COMMITTEE SUBSTITUTE FOR S.J.R. No. 65 By: Williams

1-7 SENATE JOINT RESOLUTION

1-8 proposing a constitutional amendment authorizing the issuance of
1-9 general obligation bonds for maintenance, improvement, repair, and
1-10 construction projects and for the purchase of needed equipment.

1-11 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Article III, Texas Constitution, is amended by
1-13 adding Section 50-g to read as follows:

1-14 Sec. 50-g. (a) The legislature by general law may
1-15 authorize the Texas Public Finance Authority to provide for, issue,
1-16 and sell general obligation bonds of the State of Texas in an amount
1-17 not to exceed \$1 billion and to enter into related credit
1-18 agreements. The bonds shall be executed in the form, on the terms,
1-19 and in the denominations, bear interest, and be issued in
1-20 installments as prescribed by the Texas Public Finance Authority.

1-21 (b) Proceeds from the sale of the bonds shall be deposited
1-22 in a separate fund or account within the state treasury created by
1-23 the comptroller of public accounts for this purpose. Money in the
1-24 separate fund or account may be used only to pay for:

1-25 (1) maintenance, improvement, repair, or construction
1-26 projects authorized by the legislature by general law or the
1-27 General Appropriations Act and administered by or on behalf of the
1-28 Texas Building and Procurement Commission, the Parks and Wildlife
1-29 Department, the adjutant general's department, the Department of
1-30 State Health Services, the Department of Aging and Disability
1-31 Services, the Texas School for the Blind and Visually Impaired, the
1-32 Texas Youth Commission, the Texas Historical Commission, the Texas
1-33 Department of Criminal Justice, or the Department of Public Safety
1-34 of the State of Texas; or

1-35 (2) the purchase, as authorized by the legislature by
1-36 general law or the General Appropriations Act, of needed equipment
1-37 by or on behalf of a state agency listed in Subdivision (1) of this
1-38 subsection.

1-39 (c) The maximum net effective interest rate to be borne by
1-40 bonds issued under this section may be set by general law.

1-41 (d) While any of the bonds or interest on the bonds
1-42 authorized by this section is outstanding and unpaid, from the
1-43 first money coming into the state treasury in each fiscal year not
1-44 otherwise appropriated by this constitution, an amount sufficient
1-45 to pay the principal and interest on bonds that mature or become due
1-46 during the fiscal year and to make payments that become due under a
1-47 related credit agreement during the fiscal year is appropriated,
1-48 less the amount in the sinking fund at the close of the previous
1-49 fiscal year.

1-50 (e) Bonds issued under this section, after approval by the
1-51 attorney general, registration by the comptroller of public
1-52 accounts, and delivery to the purchasers, are incontestable and are
1-53 general obligations of the State of Texas under this constitution.

1-54 SECTION 2. This proposed constitutional amendment shall be
1-55 submitted to the voters at an election to be held November 6, 2007.
1-56 The ballot shall be printed to permit voting for or against the
1-57 proposition: "The constitutional amendment authorizing the
1-58 issuance of up to \$1 billion in bonds payable from the general
1-59 revenues of the state for maintenance, improvement, repair, and
1-60 construction projects and for the purchase of needed equipment."

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