

By: Ogden

S.J.R. No. 67

A JOINT RESOLUTION

1 proposing a constitutional amendment authorizing the legislature  
2 to permit the Texas Transportation Commission, subject to  
3 legislative review and approval, to designate the area adjacent to  
4 a state highway project as a transportation finance zone and  
5 dedicating the proceeds of the state sales and use taxes imposed in  
6 a transportation finance zone to the Texas Mobility Fund for  
7 certain purposes.

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

9 SECTION 1. Section 49-k, Article III, Texas Constitution,  
10 is amended by adding Subsection (e-1) to read as follows:

11 (e-1) The legislature by general law may authorize the  
12 commission by rule to designate as a transportation finance zone  
13 the area that is adjacent to the right-of-way of an existing or  
14 proposed state highway and within two miles on either side of the  
15 center line of the state highway, if in connection with  
16 construction, reconstruction, or expansion of the state highway,  
17 including design and right-of-way acquisition costs, the  
18 commission has or proposes to issue and sell obligations or enter  
19 into credit agreements under Subsection (d) of this section. The  
20 designation of an area as a transportation finance zone must be  
21 reviewed and approved by the legislature before the designation may  
22 take effect. In addition to other sources of revenue, there is  
23 dedicated to the fund the proceeds of a tax that is established by  
24 general law and imposed on the first sale of a taxable item in this

1 state or on the first storage, use, or other consumption in this  
2 state of a taxable item purchased from a retailer for storage, use,  
3 or other consumption in this state, if the first sale or first use  
4 is consummated within the boundaries of a transportation finance  
5 zone. Except as provided by this subsection, all proceeds from the  
6 taxes to which this subsection applies that are collected within  
7 the boundaries of a transportation finance zone shall be deposited  
8 to the credit of a separate account in the fund. Money collected  
9 within the boundaries of a transportation finance zone and  
10 deposited to the credit of the fund under this subsection may be  
11 used only for the purpose of paying the principal of and interest on  
12 obligations issued under Subsection (d) of this section or a  
13 related credit agreement entered into under that subsection in  
14 connection with the state highway that is located in that  
15 transportation finance zone. In any state fiscal year the  
16 comptroller of public accounts may not credit more than \$250  
17 million to the credit of the fund under this subsection. The  
18 commission and the comptroller of public accounts may adopt rules  
19 and procedures to implement and administer this subsection.

20 SECTION 2. This proposed constitutional amendment shall be  
21 submitted to the voters at an election to be held November 6, 2007.  
22 The ballot shall be printed to permit voting for or against the  
23 proposition: "The constitutional amendment authorizing the  
24 legislature to permit the Texas Transportation Commission, subject  
25 to legislative review and approval, to designate the area adjacent  
26 to a state highway project as a transportation finance zone and  
27 dedicating the proceeds of the state sales and use taxes imposed in

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1 a transportation finance zone to the Texas Mobility Fund for  
2 certain purposes."