

1-1 By: Ogden S.J.R. No. 67
1-2 (In the Senate - Filed May 3, 2007; May 7, 2007, read first
1-3 time and referred to Committee on Transportation and Homeland
1-4 Security; May 11, 2007, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 8, Nays 0;
1-6 May 11, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.J.R. No. 67 By: Shapiro

1-8 SENATE JOINT RESOLUTION

1-9 proposing a constitutional amendment authorizing the legislature
1-10 to permit the Texas Transportation Commission, subject to
1-11 legislative review and approval, to designate the area adjacent to
1-12 a state highway project as a transportation finance zone and
1-13 dedicating the proceeds of the state sales and use taxes imposed in
1-14 a transportation finance zone to the Texas Mobility Fund for
1-15 certain purposes.

1-16 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-17 SECTION 1. Section 49-k, Article III, Texas Constitution,
1-18 is amended by adding Subsection (e-1) and amending Subsection (g)
1-19 to read as follows:

1-20 (e-1) The legislature by general law may authorize the
1-21 commission to designate as a transportation finance zone an area
1-22 defined by the general law that is adjacent to the right-of-way of
1-23 an existing or proposed state highway, if in connection with
1-24 construction, reconstruction, or expansion of the state highway,
1-25 including design and right-of-way acquisition costs, the
1-26 commission has issued and sold obligations or entered into credit
1-27 agreements under Subsection (d) of this section or proposes to
1-28 issue and sell obligations or enter into credit agreements under
1-29 Subsection (d) of this section. The designation of an area as a
1-30 transportation finance zone must be reviewed and approved by the
1-31 legislature before the designation may take effect. In addition to
1-32 other sources of revenue, there is dedicated to the fund the
1-33 proceeds of a tax that is established by general law and imposed on
1-34 the first sale of a taxable item in this state or on the first
1-35 storage, use, or other consumption in this state of a taxable item
1-36 purchased from a retailer for storage, use, or other consumption in
1-37 this state, if the first sale or first use is consummated within the
1-38 boundaries of a transportation finance zone. All proceeds from the
1-39 taxes to which this subsection applies that are collected within
1-40 the boundaries of a transportation finance zone shall be deposited
1-41 to the credit of a separate account in the fund. Money collected
1-42 within the boundaries of a transportation finance zone and
1-43 deposited to the credit of the fund under this subsection may be
1-44 used only for the purpose of paying the principal of and interest on
1-45 obligations issued under Subsection (d) of this section or a
1-46 related credit agreement entered into under that subsection in
1-47 connection with the state highway that is located in that
1-48 transportation finance zone. The legislature may limit the amount
1-49 of money the comptroller may deposit to the credit of the fund in
1-50 any state fiscal year under this subsection.

1-51 (g) In addition to the dedication of specified sources or
1-52 amounts of revenue, taxes, or money as provided by Subsections
1-53 [Subsection] (e) and (e-1) of this section, the legislature may by
1-54 law authorize the commission to guarantee the payment of any
1-55 obligations and credit agreements issued and executed by the
1-56 commission under the authority of this section by pledging the full
1-57 faith and credit of the state to that payment if dedicated revenue
1-58 is insufficient for that purpose. If that authority is granted and
1-59 is implemented by the commission, while any of the bonds, notes,
1-60 other obligations, or credit agreements are outstanding and unpaid,
1-61 and for any fiscal year during which the dedicated revenue, taxes,
1-62 and money are insufficient to make all payments when due, there is
1-63 appropriated, and there shall be deposited in the fund, out of the

2-1 first money coming into the state treasury in each fiscal year that
2-2 is not otherwise appropriated by this constitution, an amount that
2-3 is sufficient to pay the principal of the obligations and
2-4 agreements and the interest on the obligations and agreements that
2-5 become due during that fiscal year, minus any amount in the fund
2-6 that is available for that payment in accordance with applicable
2-7 law.

2-8 SECTION 2. This proposed constitutional amendment shall be
2-9 submitted to the voters at an election to be held November 6, 2007.
2-10 The ballot shall be printed to permit voting for or against the
2-11 proposition: "The constitutional amendment authorizing the
2-12 legislature to permit the Texas Transportation Commission, subject
2-13 to legislative review and approval, to designate the area adjacent
2-14 to a state highway project as a transportation finance zone and
2-15 dedicating the proceeds of the state sales and use taxes imposed in
2-16 a transportation finance zone to the Texas Mobility Fund for
2-17 certain purposes."

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