

BILL ANALYSIS

C.S.H.J.R. 9
By: Truitt
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The state highway fund includes revenue from the state motor fuels tax, motor vehicle registration fees, federal highway funds, and the sales tax on motor vehicle lubricants. The motor fuels tax revenue is deposited to the general revenue fund and a portion is allocated to the state highway fund. Currently, revenue from the state highway fund is used for acquiring rights-of-way, highway construction and maintenance and law enforcement on public roads, among other uses.

C.S.H.J.R. 9 proposes a constitutional amendment to eliminate the use of revenue from the state highway fund for law enforcement and the administration of traffic and safety laws on public roads and provides that the fund may only be used to acquire rights-of-way and to construct and maintain public roadways.

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

C.S.H.J.R. 9 proposes an amendment authorizing the automatic adjustment of the tax imposed on motor fuels and restricting the authorized uses of that revenue and other revenue dedicated to transportation.

The resolution proposes an amendment to the Texas Constitution to remove language in Section 7-a Article VIII, requiring, subject to legislative appropriation, allocation, and direction, from the list of items for net revenues from motor vehicle registration fees and all taxes, except gross production and property taxes, taxes on motor fuels and lubricants to be used for policing public roadways, the administration of such laws as may be prescribed by the legislature pertaining to the supervision of traffic and safety on public roadways except by the agency of the state responsible for the construction and maintenance of the state highways, and payment of the principal and interest on county and road district bonds or warrants voted or issued prior to January 2, 1939, and declared eligible prior to January 2, 1945, for payment out of the County and Road District Highway Fund, provided that certain conditions are met.

The resolution proposes to amend Section 7-b, Article VIII, Texas Constitution, to remove language referring to policing public roadways for purposes of requiring all revenues received from the federal government as reimbursement for state expenditures of funds that are constitutionally dedicated to be used only for those purposes for which the funds are dedicated.

The resolution grants the Legislature the authority to authorize the Comptroller to automatically adjust the tax rates imposed on motor fuels. It requires that the adjustment factor be based on one or more indexes published by an agency of the United States.

The resolution's proposed temporary provision to the Texas Constitution makes its provisions applicable only in connection with a state fiscal biennium that begins on or after September 1, 2011 and is completed no later than September 1, 2014. The resolution sets forth the required language for the ballot.

EFFECTIVE DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 3, 2009.

COMPARISON OF ORIGINAL TO SUBSTITUTE

H.J.R. 9 would amend Article VIII of the Texas Constitution to authorize the Legislature to expand the uses of the net revenue from motor vehicle registration fees, motor fuel taxes, and sales taxes on motor lubricants to include constructing, maintaining, and operating passenger rail, transit, and freight rail.

C.S.H.J.R. 9 calls for an indexing of the state motor fuels tax and an end to diversions from the state highway fund.