

BILL ANALYSIS

S.J.R. 9
By: Carona
Transportation
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Section 7-a (Revenues from Motor Vehicle Registration Fees and Taxes on Motor Fuels and Lubricants; Purposes for Which Used), Article VIII (Taxation and Revenue), Texas Constitution, allows for funding of both transportation and non-transportation items from dedicated transportation revenues, including motor fuels taxes and vehicle registration fees.

S.J.R. 9 proposes a constitutional amendment requiring that all taxes, except gross production and ad valorem taxes, on motor fuels and lubricants to be used only for acquiring rights-of-way and constructing and maintaining, rather than constructing, maintaining, and policing, public roadways, and for the administration of laws pertaining to the supervision of traffic and safety on roads performed by, or under the supervision of, the agency of this state, or a component or successor in function, responsible for the construction and maintenance of state highways.

S.J.R. 9 provides that all revenues received from the federal government as reimbursement for state expenditures of funds for public roadways are also constitutionally dedicated and are required to be used only for certain purposes. This bill creates a temporary provision that applies to the constitutional amendment proposed by the 81st Legislature, Regular Session, 2009, prescribing the purposes for which revenue from motor vehicle registration fees and taxes on motor fuels and lubricants and certain revenues received from the federal government is authorized to be used.

S.J.R. 9 sets forth the required language for the proposed constitutional amendment.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

ANALYSIS

SECTION 1. Amends Sections 7-a and 7-b, Article VIII, Texas Constitution, as follows:

Sec. 7-a. (a) Creates this section from existing text. Requires that all taxes, except gross production and ad valorem taxes, on motor fuels and lubricants used to propel motor vehicles over public roadways, subject to legislative appropriation, allocation, and direction, be used only for, rather than the sole purpose of, acquiring rights-of-way and constructing and maintaining, rather than constructing, maintaining, and policing, such public roadways, and for the administration of such laws as authorized to be prescribed by the Legislature pertaining to the supervision of traffic and safety on such roads performed by, or under the supervision of, the agency of this state, or a component or successor in function, responsible for the construction and maintenance of state highways. Deletes existing text providing that net revenues may also be used for the 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 under existing law. Makes nonsubstantive changes.

(b) Creates this subsection from existing text. Provides that nothing in this section may be construed as authorizing the pledging of the State's credit for any

purpose, rather than providing that nothing contained herein shall be construed as authorizing the pledging of the State's credit for any purpose.

Sec. 7-b. Provides that all revenues received from the federal government as reimbursement for state expenditures of funds that are themselves dedicated for acquiring rights-of-way and constructing and maintaining public roadways or for the administration of a law described by Section 7-a of this article are also constitutionally dedicated and are required to be used only for those purposes. Makes conforming changes.

SECTION 2. Provides that the following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) Provides that this temporary provision applies to the constitutional amendment proposed by the 81st Legislature, Regular Session, 2009, prescribing the purposes for which revenue from motor vehicle registration fees and taxes on motor fuels and lubricants and certain revenues received from the federal government are authorized to be used.

(b) Provides that the amendments to Sections 7-a and 7-b, Article VIII, of this constitution, take effect September 1, 2018.

(c) Prohibits the legislature, beginning in the state fiscal year beginning on September 1, 2018, from appropriating any revenue described by Section 7-a or 7-b, Article VIII, of this constitution, and prohibits the state agency responsible for the construction and maintenance of state highways from allocating any revenue described by those sections that is appropriated to the state agency, for any purpose other than acquiring rights-of-way and constructing and maintaining public roadways or for the administration of a law described by Section 7-a, Article VIII, of this constitution.

(d) Requires the legislature, beginning in each state fiscal year that begins on or after September 1, 2011, but before September 1, 2018, to proportionally decrease the amount of revenue described by Sections 7-a and 7-b, Article VIII, of this constitution, that is appropriated for any purpose other than acquiring rights-of-way and constructing and maintaining public roadways or for the administration of a law described by Section 7-a of that article, as necessary to comply with Subsection (c) of this temporary provision beginning September 1, 2018. Requires the state agency responsible for construction and maintenance of state highways to ensure that any revenue described by Sections 7-a and 7-b, Article VIII, of this constitution, that is appropriated to the agency is allocated in a manner that reflects that proportional decrease.

(e) Provides that this temporary provision does not affect the use of revenue described by Sections 7-a and 7-b, Article VIII, of this constitution, for a purpose specifically authorized by another provision of this constitution.

(f) Provides that this temporary provision expires September 1, 2019.

SECTION 3. Requires the proposed constitutional amendment to be submitted to the voters at an election to be held November 3, 2009. Sets forth the required language of 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.