

By: Alonzo

H.J.R. No. 1

A JOINT RESOLUTION

1 proposing a constitutional amendment providing for the issuance of
2 general obligation bonds to provide funding to develop and maintain
3 research universities in this state of the highest tier.

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

5 SECTION 1. Article III, Texas Constitution, is amended by
6 adding Section 68 to read as follows:

7 Sec. 68. (a) The legislature by general law may authorize
8 the Texas Public Finance Authority to provide for, issue, and sell
9 general obligation bonds of the State of Texas in an amount not to
10 exceed \$3 billion and to enter into related credit agreements. The
11 authority may not issue more than \$300 million in bonds authorized
12 by this section in a year. The bonds shall be executed in the form,
13 on the terms, and in the denominations, bear interest, and be issued
14 in installments as prescribed by the Texas Public Finance
15 Authority.

16 (b) Proceeds from the sale of the bonds shall be deposited
17 in a separate fund in the state treasury to be used by the
18 legislature to provide funding to develop and maintain research
19 universities in this state of the highest tier.

20 (c) The bond proceeds may also be used to pay the costs of
21 issuing the bonds and any administrative expense related to the
22 bonds.

23 (d) While any of the bonds or interest on the bonds
24 authorized by this section is outstanding and unpaid, from the

1 first money coming into the state treasury in each fiscal year not
2 otherwise appropriated by this constitution, an amount sufficient
3 to pay the principal of and interest on bonds that mature or become
4 due during the fiscal year and to make payments that become due
5 under a related credit agreement during the fiscal year is
6 appropriated, less the amount in the sinking fund at the close of
7 the previous fiscal year.

8 (e) Bonds issued under this section, after approval by the
9 attorney general, registration by the comptroller of public
10 accounts, and delivery to the purchasers, are incontestable and are
11 general obligations of the State of Texas under this constitution.

12 SECTION 2. This proposed constitutional amendment shall be
13 submitted to the voters at an election to be held November 3, 2009.
14 The ballot shall be printed to permit voting for or against the
15 proposition: "The constitutional amendment providing for the
16 issuance of general obligation bonds to provide funding to develop
17 and maintain research universities in this state of the highest
18 tier."