

By: Ogden

S.J.R. No. 18

1 SENATE JOINT RESOLUTION

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

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

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

13 (e-1) The legislature by general law may authorize the
14 commission to designate as a transportation finance zone an area
15 defined by the general law that is adjacent to the right-of-way of
16 an existing or proposed state highway, if in connection with
17 construction, reconstruction, or expansion of the state highway,
18 including design and right-of-way acquisition costs, the
19 commission has issued and sold obligations or entered into credit
20 agreements under Subsection (d) of this section or proposes to
21 issue and sell obligations or enter into credit agreements under
22 Subsection (d) of this section. The designation of an area as a
23 transportation finance zone must be reviewed and approved by the
24 entity designated by the legislature in the general law before the

1 designation may take effect. In addition to other sources of
2 revenue, there is dedicated to the fund the proceeds of a state tax
3 that is established by general law and imposed on the sale of a
4 taxable item in this state or on the storage, use, or other
5 consumption in this state of a taxable item purchased from a
6 retailer for storage, use, or other consumption in this state, if
7 the sale or use is consummated within the boundaries of a
8 transportation finance zone. All proceeds from the taxes to which
9 this subsection applies that are collected within the boundaries of
10 a transportation finance zone may be deposited to the credit of a
11 separate account in the fund. Money collected within the
12 boundaries of a transportation finance zone and deposited to the
13 credit of the fund under this subsection may be used only for the
14 purpose of paying the principal of and interest on obligations
15 issued under Subsection (d) of this section or a related credit
16 agreement entered into under that subsection in connection with the
17 state highway that is located in that transportation finance zone.
18 The legislature may limit the amount of money the comptroller may
19 deposit to the credit of the fund in any state fiscal year under
20 this subsection.

21 (g) In addition to the dedication of specified sources or
22 amounts of revenue, taxes, or money as provided by Subsections
23 [Subsection] (e) and (e-1) of this section, the legislature may by
24 law authorize the commission to guarantee the payment of any
25 obligations and credit agreements issued and executed by the
26 commission under the authority of this section by pledging the full
27 faith and credit of the state to that payment if dedicated revenue

1 is insufficient for that purpose. If that authority is granted and
2 is implemented by the commission, while any of the bonds, notes,
3 other obligations, or credit agreements are outstanding and unpaid,
4 and for any fiscal year during which the dedicated revenue, taxes,
5 and money are insufficient to make all payments when due, there is
6 appropriated, and there shall be deposited in the fund, out of the
7 first money coming into the state treasury in each fiscal year that
8 is not otherwise appropriated by this constitution, an amount that
9 is sufficient to pay the principal of the obligations and
10 agreements and the interest on the obligations and agreements that
11 become due during that fiscal year, minus any amount in the fund
12 that is available for that payment in accordance with applicable
13 law.

14 SECTION 2. This proposed constitutional amendment shall be
15 submitted to the voters at an election to be held November 3, 2009.
16 The ballot shall be printed to permit voting for or against the
17 proposition: "The constitutional amendment authorizing the
18 legislature to permit the Texas Transportation Commission, subject
19 to legislative review and approval, to designate the area adjacent
20 to a state highway project as a transportation finance zone and
21 dedicating the proceeds of the state sales and use taxes imposed in
22 a transportation finance zone to the Texas Mobility Fund for
23 certain purposes."