

Amend CSSB 1420 (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Sections 201.943(b), (c), (d), (e), and (f), Transportation Code, are amended to read as follows:

(b) Obligations must be secured by and payable from a pledge of and lien on all or part of the money in the fund, including the revenues of this state that are dedicated or appropriated for deposit to the fund. Obligations may be additionally secured by and payable from credit agreements. The commission may pay amounts due on the obligations from discretionary money available to it that is not dedicated to or appropriated for other specific purposes.

(c) The commission may create within the fund accounts, reserves, and subfunds for purposes the commission finds appropriate and necessary [~~in connection with the issuance of obligations~~].

(d) Obligations may be issued for one or more of the following purposes:

(1) to pay all or part of the costs of constructing, reconstructing, acquiring, and expanding state highways, including any necessary design and acquisition of rights-of-way, in the manner and locations determined by the commission that, according to conclusive findings of the commission, have an expected useful life, without material repair, of not less than 10 years;

(2) to provide participation by the state in the payment of part of the costs of constructing and providing publicly owned toll roads and other public transportation projects that are determined by the commission to be in the best interests of the state in its major goal of improving the mobility of the residents of the state;

(3) to make loans for a purpose described in Subdivision (1) or (2) to public entities, including a municipality, county, district, authority, agency, department, board, commission, or transportation corporation created under Chapter 431, that are authorized by law to construct, maintain, or finance a highway improvement project, toll road project, or public transportation project;

(4) to create debt service reserve accounts;

(5) [~~(4)~~] to pay interest on obligations for a period of not longer than two years;

(6) [~~(5)~~] to refund or cancel outstanding obligations; and

(7) [~~(6)~~] to pay the commission's costs of issuance.

(e) Long-term obligations in the amount proposed to be issued by the commission may not be issued unless the comptroller projects in a comptroller's certification that the amount of money dedicated to the fund pursuant to Section 49-k(e), Article III, Texas Constitution, and required to be on deposit in the fund pursuant to Section 49-k(f), Article III, Texas Constitution, together with any other money or revenues that the commission pledges or otherwise commits for the purposes of the fund, including loan repayments to be deposited in the fund under Section 201.9461, receipts from credit agreements, and money received or to be received from the federal government, uncommitted fund balances, and the investment earnings on [~~that~~] money in the fund, during each year of the period during which the proposed obligations are scheduled to be outstanding will be equal to at least 110 percent of the requirements to pay the principal of and interest on the proposed long-term obligations during that year.

(f) Short-term obligations in the amount proposed by the commission may not be issued unless the comptroller, in a comptroller's certification:

(1) assumes that the short-term obligations will be refunded and refinanced to mature over a 30-year [~~20-year~~] period with level debt service [~~principal~~] requirements and bearing interest at then current market rates, as determined by the comptroller; and

(2) projects that the amount of money dedicated to the fund pursuant to Section 49-k(e), Article III, Texas Constitution, and required to be on deposit in the fund pursuant to Section 49-k(f), Article III, Texas Constitution, together with any other money or revenues that the commission pledges or otherwise commits for the purposes of the fund, including loan repayments to be deposited in the fund under Section 201.9461, receipts from credit

agreements, and money received or to be received from the federal government, uncommitted fund balances, and the investment earnings on ~~that~~ money in the fund, during each year of the assumed 30-year [20-year] period will be equal to at least 110 percent of the requirements to pay the principal of and interest on the proposed refunding obligations during that year.

SECTION _____. Subchapter M, Chapter 201, Transportation Code, is amended by adding Sections 201.9461 and 201.9462 to read as follows:

Sec. 201.9461. REPAYMENT TERMS; DEPOSIT OF REPAYMENTS. (a) For money disbursed from the fund as a loan, the commission shall determine the terms and conditions of repayment, including the interest rate to be charged.

(b) The department shall deposit in the fund all amounts received from repayment of a loan.

Sec. 201.9462. BORROWING FROM FUND BY PUBLIC ENTITY. (a) A public entity, including a municipality, county, district, authority, agency, department, board, commission, or transportation corporation created under Chapter 431, that is authorized by law to construct, maintain, or finance a highway improvement project, toll road project, or public transportation project may borrow money from the fund and may enter into any agreement relating to receiving a loan made from money in the fund.

(b) Money borrowed under Subsection (a) must be segregated from other funds under the control of the public entity and may be used only for a purpose authorized by this subchapter.

(c) To provide for the repayment of a loan, a public entity may:

(1) pledge revenues or income from any available source;

(2) pledge, levy, and collect any taxes, subject to any constitutional limitation; or

(3) pledge any combination of revenues, income, and taxes.

(d) This section is wholly sufficient authority for a public entity to borrow money from the fund as authorized by this subchapter and to pledge revenues, income, or taxes, or any

combination of revenues, income, and taxes, to the repayment of a loan.

SECTION _____. Sections 222.003(c) and (e), Transportation Code, are amended to read as follows:

(c) Proceeds from the sale of bonds and other public securities issued under this section may [~~shall~~] be used to:

- (1) fund state highway improvement projects; and
- (2) make loans for the purpose described by Subdivision (1) to public entities, including a municipality, county, district, authority, agency, department, board, commission, or transportation corporation created under Chapter 431, that are authorized by law to construct, maintain, or finance a state highway improvement project.

(e) The proceeds of bonds and other public securities issued under this section may not be used for any purpose other than any costs related to the bonds and other public securities and the purposes described by this section [~~for which revenues are dedicated under Section 7-a, Article VIII, Texas Constitution~~]. The proceeds of bonds and other public securities issued under this section may not be used for the construction of a state highway or other facility on the Trans-Texas Corridor. For purposes of this section, the "Trans-Texas Corridor" means the statewide system of multimodal facilities under the jurisdiction of the department that is designated by the commission, notwithstanding the name given to that corridor.

SECTION _____. Subchapter A, Chapter 222, Transportation Code, is amended by adding Sections 222.0031 and 222.0032 to read as follows:

Sec. 222.0031. REPAYMENT TERMS; DEPOSIT OF REPAYMENTS. (a) For money disbursed under Section 222.003 as a loan, the commission shall determine the terms and conditions of repayment, including the interest rates to be charged.

(b) The department shall deposit all amounts received from repayment of a loan in:

- (1) the state highway fund; or
- (2) a subaccount in the state infrastructure bank.

Sec. 222.0032. BORROWING FROM BOND PROCEEDS BY PUBLIC

ENTITY. (a) A public entity, including a municipality, county, district, authority, agency, department, board, commission, or transportation corporation created under Chapter 431, that is authorized by law to construct, maintain, or finance a state highway improvement project may borrow money from the department through a loan made under Section 222.003, and may enter into any agreement relating to receiving a loan under that section.

(b) Money borrowed under Subsection (a) must be segregated from other funds under the control of the public entity and may be used only for the purpose authorized by Section 222.003(c)(1).

(c) To provide for the repayment of a loan, a public entity may:

(1) pledge revenues or income from any available source;

(2) pledge, levy, and collect any taxes, subject to any constitutional limitation; or

(3) pledge any combination of revenues, income, and taxes.

(d) This section is wholly sufficient authority for a public entity to borrow money as authorized by Subsection (a) and to pledge revenues, income, or taxes, or any combination of revenues, income, and taxes, to the repayment of a loan.

SECTION _____. Sections 222.004(b) and (g), Transportation Code, are amended to read as follows:

(b) The commission by order or resolution may issue general obligation bonds for the purposes provided in this section. The commission may at any time during a biennium issue bonds or other public securities, and enter into related credit agreements, up to the aggregate amount of general obligation bond proceeds appropriated for that biennium, notwithstanding any estimate in an appropriations act relating to amounts expected to be expended in a fiscal year during that biennium. The aggregate principal amount of the bonds that are issued may not exceed the amount specified by Section 49-p(a), Article III, Texas Constitution.

(g) Bonds may be issued for one or more of the following purposes:

(1) to pay all or part of the costs of highway

improvement projects;

(2) to make loans for the purpose described in Subdivision (1) to public entities, including a municipality, county, district, authority, agency, department, board, commission, or transportation corporation created under Chapter 431, that are authorized by law to construct, maintain, or finance a highway improvement project; and

(3) [~~2~~] to pay:

(A) the costs of administering projects authorized under this section;

(B) the cost or expense of the issuance of the bonds; or

(C) all or part of a payment owed or to be owed under a credit agreement.

SECTION _____. Subchapter A, Chapter 222, Transportation Code, is amended by adding Sections 222.0041 and 222.0042 to read as follows:

Sec. 222.0041. REPAYMENT TERMS; DEPOSIT OF REPAYMENTS. (a) For money disbursed under Section 222.004 as a loan, the commission shall determine the terms and conditions of repayment, including the interest rates to be charged.

(b) The department shall deposit all amounts received from repayment of a loan made under Section 222.004 in a subaccount in the state infrastructure bank.

Sec. 222.0042. BORROWING FROM BOND PROCEEDS BY PUBLIC ENTITY. (a) A public entity, including a municipality, county, district, authority, agency, department, board, commission, or transportation corporation created under Chapter 431, that is authorized by law to construct, maintain, or finance a highway improvement project may borrow money from the department through a loan made under Section 222.004, and may enter into any agreement relating to receiving a loan under that section.

(b) Money borrowed under Subsection (a) must be segregated from other funds under the control of the public entity and may be used only for the purpose authorized by Section 222.004(g)(1).

(c) To provide for the repayment of a loan, a public entity may:

(1) pledge revenues or income from any available source;

(2) pledge, levy, and collect any taxes, subject to any constitutional limitation; or

(3) pledge any combination of revenues, income, and taxes.

(d) This section is wholly sufficient authority for a public entity to borrow money from the fund as authorized by Subsection (a) and to pledge revenues, income, or taxes, or any combination of revenues, income, and taxes, to the repayment of a loan.

SECTION _____. (a) Section 222.103, Transportation Code, is amended by amending Subsections (a) and (b) and adding Subsection (b-1) to read as follows:

(a) The department may participate, by spending money from any available source, in the cost of the acquisition, construction, maintenance, or operation of a toll facility of a public or private entity on terms and conditions established by the commission. The commission:

(1) shall ~~may~~ require:

(A) the repayment of any money spent by the department for the cost of a toll facility of a public entity; or

(B) the public entity to agree to share project revenue with the department, on terms and conditions approved by the commission; and

(2) shall require the repayment of any money spent by the department for the cost of a toll facility of a private entity.

(b) Money repaid as required by the commission and other payments received by the department in connection with an expenditure made under this section shall be deposited to the credit of the fund or account from which the expenditure was made except as otherwise required. Money deposited as required by this section is exempt from the application of Section 403.095, Government Code.

(b-1) Loan repayments and revenue sharing and other payments received by the department in connection with an expenditure made under this section may be used by the commission or the department to finance the construction, maintenance, or

operation of tolled or nontolled transportation projects, as defined by Section 228.001, in any location in this state.

(b) Section 222.103(a), Transportation Code, as amended by this section, applies only to money loaned by the Texas Department of Transportation on or after the effective date of this Act.