BILL ANALYSIS

C.S.H.J.R. 84 By: Larson Transportation Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, revenue from the state motor fuels tax and motor vehicle registration fees is dedicated to certain uses under the Texas Constitution. Some of these uses do not relate to constructing or maintaining state roadways. As a result, the Texas Department of Transportation has been forced to look to other funding sources, including toll roads, to provide desperately needed additional capacity to the Texas road system. C.S.H.J.R. 84 seeks to address this situation by proposing a constitutional amendment to limit the purposes for which revenue from motor vehicle registration fees, taxes on motor fuels and lubricants, and certain revenues received from the federal government may be used.

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. 84 proposes an amendment to the Texas Constitution to remove 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 from the purposes for which, subject to legislative appropriation, allocation, and direction, all net revenues remaining after payment of all refunds allowed by law and expenses of collection derived from motor vehicle registration fees, and all taxes, except gross production and property taxes, on motor fuels and lubricants must be used, provided that certain conditions are met.

C.S.H.J.R. 84 prohibits the legislature, for a biennium, from appropriating funds derived from the revenues from motor vehicle registration fees and taxes on motor fuels and lubricants and from revenues received from the federal government as reimbursement for certain state expenditures of funds for a purpose other than acquiring rights-of-way or constructing or maintaining public roadways in an amount that exceeds the lesser of the following: the total amount of those funds appropriated for a purpose other than acquiring rights-of-way or constructing or maintaining public roadways in the preceding biennium; or the amount determined by reducing the maximum amount that may be appropriated as provided by the resolution's provisions.

C.S.H.J.R. 84 reduces, for each biennium, the maximum amount that may be appropriated from the revenues from motor vehicle registration fees and taxes on motor fuels and lubricants and from revenues received from the federal government as reimbursement for certain state expenditures of funds for a purpose other than acquiring rights-of-way or constructing or maintaining public roadways by 20 percent from the preceding biennium if the estimate by the comptroller of public accounts of anticipated revenue from all sources made in advance of the regular session for the biennium exceeds the total amount of revenue from all sources for the preceding biennium by more than three times the amount of the reduction. C.S.H.J.R. 84 adds a temporary provision, set to expire September 2, 2013, establishing that the resolution's provisions to limit the purposes for which revenues from motor vehicle registration fees, taxes on motor fuels and lubricants, and certain revenues received from the federal government may be used apply only in connection with a state fiscal biennium that begins on or after September 1, 2013. The resolution sets out the required ballot language.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 8, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.J.R. 84 differs from the original by removing the payment of the principal and interest on certain county and road district bonds or warrants from the purposes for which net revenues from motor vehicle registration fees and taxes on motor fuels and lubricants may be used, whereas the original removes from those purposes the policing of public roadways, the administration of such laws as may be prescribed by the legislature pertaining to the supervision of traffic and safety on such roads, and the payment of the principal and interest on certain county and road district bonds or warrants and makes a conforming change in provisions relating to certain revenues received from the federal government.

C.S.H.J.R. 84 contains provisions not included in the original relating to the amount that may be appropriated from funds derived from the revenues from motor vehicle registration fees and taxes on motor fuels and lubricants and from certain revenues received from the federal government for a purpose other than acquiring rights-of-way or constructing or maintaining public roadways. The substitute contains a provision not included in the original setting an expiration date for the resolution's temporary provision. The substitute differs from the original in a nonsubstantive way.