

BILL ANALYSIS

S.J.R. 1
By: Nichols
Transportation Funding, Select
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties observe that Texas faces a substantial gap between the funding that is currently available for highway improvements and the amount that is needed over the next 25 years to maintain current levels of service. At current levels of funding, it is projected that there will be significant increases in congestion and declines in pavement quality, bridge conditions, and city interconnectivity. S.J.R. 1 seeks to address this gap by adjusting the allocation of oil and gas production tax revenue and providing for the transfer of a portion of that revenue from the general revenue fund to the economic stabilization fund and to the state highway fund and for the dedication of the revenue transferred to the state highway fund.

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

S.J.R. 1 proposes an amendment to the Texas Constitution to require the comptroller of public accounts to allocate one-half of the amount of oil and gas production tax revenue the comptroller currently is required to transfer to the economic stabilization fund to the state highway fund for the sole purpose of constructing, maintaining, and acquiring rights-of-way for public roadways other than toll roads. The resolution requires the legislature by general law to provide for a procedure by which this allocation of oil and gas production tax revenue may be adjusted to provide for a transfer of a greater amount to the economic stabilization fund, with the remainder, if any, allocated for transfer to the state highway fund. Such an allocation is binding on the comptroller for the purposes of the required transfers to the economic stabilization fund and the state highway fund.

S.J.R. 1 adds a temporary provision, set to expire January 1, 2017, to make these provisions effective immediately on the final canvass of the election on the amendment and to require the comptroller to return the applicable amounts from the economic stabilization fund to general revenue and to transfer the applicable amounts from general revenue to the economic stabilization fund and the state highway fund if, between September 1, 2014, and that effective date, the comptroller has transferred from general revenue to the economic stabilization fund the total amounts as provided by the constitution before its amendment.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 4, 2014.