

BILL ANALYSIS

Senate Research Center
83R164 JAM-D

S.J.R. 25
By: Paxton
Finance
3/28/2013
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The State Highway Fund was established to provide resources to plan, construct, and maintain public roads. The State of Texas is in need of additional finances dedicated to the State Highway Fund. The purpose of Senate Joint Resolution 25 is to dedicate additional revenues to the State Highway Fund and limit the permissible uses of the State Highway Fund.

S.J.R. 25 proposes a constitutional amendment prescribing the purposes for which revenue from motor vehicle registration fees, certain motor vehicle-related taxes, and certain revenues received from the federal government may be used.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 7-a and 7-b, Article VIII, Texas Constitution, as follows:

Sec. 7-a. Requires that 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 ad valorem taxes, on motor fuels and lubricants used to propel motor vehicles over public roadways and on new and used motor vehicle tires and new and used motor vehicle parts, subject to legislative appropriation, allocation and direction, be used for the sole purpose of acquiring rights-of-way and constructing and maintaining such public roadways; provided, however, that one-fourth (1/4) of such net revenue from the motor fuel tax is required to be allocated to the Available School Fund; and, provided, however, that the net revenue derived by counties from motor vehicle registration fees is prohibited from ever being less than the maximum amounts allowed to be retained by each County and the percentage allowed to be retained by each County under the laws in effect on January 1, 1945. Prohibits anything contained herein from being construed as authorizing the pledging of the State's credit for any purpose. Deletes existing text authorizing the use of certain refunds, collection expenses, and taxes for policing and for the administration of such laws as may be prescribed by the Legislature pertaining to the supervision of traffic and safety on such roads; and for 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.

Sec. 7-b. Make a conforming and nonsubstantive change.

SECTION 2. Adds the following temporary provision to the Texas Constitution:

TEMPORARY PROVISION. (a) Provides that this temporary provision applies to the constitutional amendment proposed by the 83rd Legislature, Regular Session, 2013, prescribing the purposes for which revenue from motor vehicle registration fees, taxes on motor fuels and lubricants and motor vehicle tires and parts, and certain revenues received from the federal government are authorized to use.

(b) Provides that the amendments to Sections 7-a and 7-b, Article VIII, of this constitution apply only in connection with a state fiscal biennium that begins on or after September 1, 2019.

(c) Prohibits the legislature, beginning in the state fiscal year that begins on or after September 1, 2019, and subject to Subsection (e) of this temporary provision, from appropriating any revenue described by Section 7-a, Article VIII, of this constitution, and prohibits the state agency responsible for the construction and maintenance of state highways from allocating any revenue described by that section that is appropriated to the state agency, for any purpose other than acquiring rights-of-way and constructing and maintaining public roadways.

(d) Requires the legislature, beginning in each state fiscal year that begins on or after September 1, 2015, and subject to Subsection (e) of this temporary provision, to proportionally decrease the amount of revenue described by Section 7-a, Article VIII, of this constitution that is appropriated for any purpose other than acquiring rights-of-way and constructing and maintaining public roadways, as necessary to comply with Subsection (c) of this temporary provision beginning September 1, 2019. Requires the state agency responsible for the construction and maintenance of state highways to ensure that any revenue described by Section 7-a, Article VIII, of this constitution that is appropriated to the agency is allocated in a manner that reflects that proportional decrease.

(e) Provides that the temporary provision does not affect the allocation of revenue to the available school fund or the allocation to counties of motor vehicle registration fees under Section 7-a, Article VIII, of this constitution or the use of revenue described by Section 7-a or 7-b, Article VIII, of this constitution for a purpose specifically authorized by another provision of this constitution.

(f) Provides that this temporary provision expires September 1, 2020.

SECTION 3. Requires that the proposed constitutional amendment be submitted to the voters at an election to be held November 5, 2013. Sets forth the required language of the ballot.