

By: Callegari

H.B. No. 3363

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the issuance of general obligation bonds by the Texas
3 Transportation Commission to fund state highways, publicly owned
4 toll roads, and other publicly owned transportation projects.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter A, Chapter 222, Transportation Code,
7 is amended by adding Section 222.007 to read as follows:

8 Sec. 222.007. CENTURY BONDS. (a) In this section:

9 (1) "Bonds" means bonds, notes, and other public
10 securities.

11 (2) "Credit agreement" has the meaning assigned by
12 Section 1371.001, Government Code.

13 (3) "Transportation project" means the construction
14 or provision of a tolled or nontolled project, the primary purpose
15 of which is to preserve or facilitate the movement of people or
16 goods by any mode of transportation. The term includes buildings,
17 structures, parking areas, appurtenances, rights-of-way, rolling
18 stock, and other property needed for the project, but does not
19 include a project that is primarily for recreational purposes such
20 as a hiking trail or off-road vehicle trail.

21 (b) The commission by order or resolution may issue general
22 obligation bonds for the purposes provided in this section. The
23 aggregate principal amount of the bonds that are issued may not
24 exceed the amount specified by Section 49-q(a), Article III, Texas

1 Constitution.

2 (c) The commission may enter into credit agreements
3 relating to the bonds. A credit agreement entered into under this
4 section may be secured by and payable from the same sources as the
5 bonds.

6 (d) The bonds shall be executed in the form, on the terms,
7 and in the denominations, bear interest, and be issued in
8 installments as prescribed by the commission, and must mature not
9 later than 100 years after their dates of issuance, subject to any
10 refundings or renewals. The bonds may be issued in multiple series
11 and issues from time to time and may have the provisions the
12 commission determines appropriate and in the interest of the state.

13 (e) The commission has all powers necessary or appropriate
14 to carry out this section and to implement Section 49-q, Article
15 III, Texas Constitution, including the powers granted to other
16 bond-issuing governmental agencies and units and to nonprofit
17 corporations by Chapters 1201, 1207, and 1371, Government Code.

18 (f) The bonds and the record of proceedings authorizing the
19 bonds and any related credit agreements shall be submitted to the
20 attorney general for approval as to their legality. If the attorney
21 general finds that they will be issued in accordance with this
22 section and other applicable law, the attorney general shall
23 approve them and deliver them to the comptroller for registration.
24 After approval by the attorney general, registration by the
25 comptroller, and payment by the purchasers of the bonds in
26 accordance with the terms of sale and after execution and delivery
27 of the related credit agreements, the bonds and related credit

1 agreements are incontestable for any cause.

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

4 (1) to pay all or part of the costs of constructing,
5 reconstructing, acquiring, and expanding state highways, including
6 any necessary design and acquisition of rights-of-way;

7 (2) to provide participation by the state in the
8 payment of part of the costs of constructing and providing publicly
9 owned toll roads and other publicly owned transportation projects;
10 and

11 (3) to pay:

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

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

16 (C) refunding bonds and related credit
17 agreements authorized by this section; or

18 (D) all or part of a payment owed or to be owed
19 under a credit agreement.

20 (h) The comptroller shall pay the principal of the bonds as
21 they mature and the interest as it becomes payable and shall pay any
22 cost related to the bonds that becomes due, including payments
23 under credit agreements.

24 SECTION 2. This Act takes effect on the date on which the
25 constitutional amendment proposed by the 83rd Legislature, Regular
26 Session, 2013, providing for the issuance of general obligation
27 bonds by the Texas Transportation Commission in an amount not to

1 exceed \$3 billion to provide funding for state highways, publicly
2 owned toll roads, and other publicly owned transportation projects,
3 takes effect. If that amendment is not approved by the voters, this
4 Act has no effect.