

By: Villarreal

H.J.R. No. 99

A JOINT RESOLUTION

1 proposing a constitutional amendment providing for the issuance of  
2 general obligation bonds to finance pay-for-performance contracts  
3 for certain programs and services for health programs.

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Article III, Texas Constitution, is amended by  
6 adding Section 49-q to read as follows:

7 Sec. 49-q. (a) The legislature by general law may authorize  
8 the Pay-for-Performance Advisory Committee to contract with a third  
9 party to provide for, issue, and sell general obligation bonds of  
10 the State of Texas in an amount not to exceed \$100 million, and to  
11 enter into related credit agreements, to fund programs and services  
12 for health programs. The bonds shall be executed in the form, on  
13 the terms, and in the denominations, and bear interest and be issued  
14 in installments, as prescribed by the Texas Public Finance  
15 Authority.

16 (b) The comptroller of public accounts shall create a  
17 special fund in the state treasury for the deposit of the proceeds  
18 from the sale of the bonds. Money in the fund may be appropriated  
19 only to pay:

20 (1) for pay-for-performance contracts authorized by  
21 general law for the operation of programs or provision of services,  
22 the primary purpose of which is health care, preventive services,  
23 or other health promotion programs; or

24 (2) the principal of or interest on the bonds.

1       (c) The comptroller of public accounts may invest money in  
2 the fund and shall credit to the fund income from the investments.

3       (d) The maximum net effective interest rate to be borne by  
4 bonds issued under this section may not exceed the maximum rate  
5 provided by general law.

6       (e) The comptroller of public accounts may establish and  
7 invest an interest and sinking fund to pay the bonds.

8       (f) While any of the bonds or interest on the bonds  
9 authorized by this section is outstanding and unpaid, from the  
10 first money coming into the state treasury in each state fiscal year  
11 not otherwise appropriated by this constitution, an amount  
12 sufficient to pay the principal and interest on bonds that mature or  
13 become due during the fiscal year and to make payments that become  
14 due under a related credit agreement during the fiscal year is  
15 appropriated, less the amount in the sinking fund at the close of  
16 the previous fiscal year.

17       (g) Bonds issued under this section, after approval by the  
18 attorney general, registration by the comptroller of public  
19 accounts, and delivery to the purchasers, are incontestable and are  
20 general obligations of the State of Texas under this constitution.

21       SECTION 2. This proposed constitutional amendment shall be  
22 submitted to the voters at an election to be held November 5, 2013.  
23 The ballot shall be printed to permit voting for or against the  
24 proposition: "The constitutional amendment providing for the  
25 issuance of general obligation bonds to finance  
26 pay-for-performance contracts for certain programs and services  
27 for certain offenders."