

By: Perry

S.B. No. 2057

A BILL TO BE ENTITLED

AN ACT

relating to the creation, administration, and funding of a state infrastructure endowment fund outside of the state treasury.

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

SECTION 1. Chapter 403, Government Code, is amended by adding Subchapter S to read as follows:

SUBCHAPTER S. STATE INFRASTRUCTURE ENDOWMENT FUND

Sec. 403.551. DEFINITION. In this subchapter, "fund" means the state infrastructure endowment fund.

Sec. 403.552. STATE INFRASTRUCTURE ENDOWMENT FUND. (a) The state infrastructure endowment fund is created as a fund to be held outside of the state treasury and administered by the comptroller as trustee for the purpose of paying the costs of state infrastructure as provided by this subchapter.

(b) Notwithstanding Subsection (a), the comptroller may transfer to the Texas Treasury Safekeeping Trust Company the comptroller's duties as trustee.

(c) The fund consists of money transferred to the fund at the direction of the legislature and interest or other earnings on that money. Money in the fund may be used only to:

(1) pay for projects to repair, renovate, rehabilitate, or construct state infrastructure other than transportation infrastructure;

(2) make payments of principal or interest on state

1 general obligation bonds the proceeds of which are used to pay for
2 projects to repair, renovate, rehabilitate, or construct state
3 infrastructure other than transportation infrastructure; or

4 (3) make payments under a credit agreement or bond
5 enhancement agreement related to bonds described by Subdivision
6 (2).

7 (d) The trustee of the fund, without the necessity of a
8 legislative appropriation, may apply available money from the fund
9 toward payments described by Subsection (c). The trustee may enter
10 into bond enhancement agreements to provide additional security for
11 general obligation bonds or revenue bonds the proceeds of which are
12 used to finance state infrastructure projects other than
13 transportation infrastructure projects. Bond enhancement
14 agreements must be payable solely from available money from the
15 fund. The bond enhancement agreements may not exceed an amount that
16 can be fully supported by the fund. A bond enhancement agreement
17 entered into under this subsection may not provide for a duty to
18 make a payment under the agreement so as to constitute a
19 constitutional state debt payable from general revenues of the
20 state.

21 (e) The trustee of the fund may use that fund to finance,
22 including by direct loan, state infrastructure projects other than
23 transportation infrastructure projects.

24 Sec. 403.553. RESERVATION OF REVENUE AND APPROPRIATION FOR
25 FUND. (a) For the state fiscal years 2018 through 2028, the
26 comptroller shall reserve in the state treasury an amount equal to
27 one-quarter of one percent of all general revenue that comes into

1 the state treasury during each state fiscal year that is not
2 dedicated or appropriated by the Texas Constitution.

3 (b) The money reserved under Subsection (a) may be
4 appropriated only for the purpose of transferring during the
5 succeeding state fiscal year the reserved amount to the credit of
6 the fund. If the money is not appropriated for that purpose for the
7 succeeding state fiscal year, the reserved money may be
8 appropriated for any purpose after the end of that fiscal year.

9 (c) The legislature may appropriate additional general
10 revenue for the purpose of transferring the revenue to the fund
11 except that the total amount appropriated for a state fiscal year
12 for transfer to the fund may not exceed one percent of all general
13 revenue that came into the state treasury during the preceding
14 state fiscal year that is not dedicated or appropriated by the Texas
15 Constitution.

16 (d) This section expires September 1, 2029.

17 SECTION 2. This Act takes effect September 1, 2017.