

By: Perry

S.J.R. No. 59

A JOINT RESOLUTION

1 proposing a constitutional amendment to set aside money from the
2 economic stabilization fund and certain general revenue to pay for
3 certain state infrastructure projects and to create a state
4 infrastructure endowment fund for funding certain costs of those
5 projects.

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

7 SECTION 1. Article XVI, Texas Constitution, is amended by
8 adding Sections 77 and 78 to read as follows:

9 Sec. 77. (a) Not later than the 90th day of each state
10 fiscal year beginning with the state fiscal year 2019 and ending
11 with the state fiscal year 2029, the comptroller of public accounts
12 shall transfer from the state treasury to the credit of the state
13 infrastructure endowment fund an amount of general revenue equal to
14 one-quarter of one percent of all general revenue that:

15 (1) came into the state treasury during the preceding
16 state fiscal year; and

17 (2) is not otherwise dedicated or appropriated by this
18 constitution.

19 (b) The legislature by general law may provide for the
20 comptroller of public accounts to transfer in a state fiscal year
21 from the state treasury to the credit of the state infrastructure
22 endowment fund, together with the amount transferred to that fund
23 under Subsection (a) of this section, general revenue not otherwise
24 dedicated or appropriated by this constitution in an additional

1 amount that may not exceed three times the amount transferred to
2 that fund under Subsection (a) of this section for that state fiscal
3 year.

4 (c) As soon as practicable after the effective date of this
5 section, the comptroller of public accounts shall transfer from the
6 economic stabilization fund to the credit of the state
7 infrastructure endowment fund the amount of \$1 billion.

8 (d) For the purposes of Section 22, Article VIII, of this
9 constitution, a transfer made under this section to the state
10 infrastructure endowment fund is not an appropriation of state tax
11 revenues.

12 (e) This section expires December 31, 2029.

13 Sec. 78. (a) The state infrastructure endowment fund is
14 created as a fund to be held outside of the state treasury and
15 administered by the comptroller of public accounts as trustee for
16 the purpose of paying the costs of state infrastructure as provided
17 by this section.

18 (b) Notwithstanding Subsection (a) of this section, the
19 comptroller of public accounts may transfer the state
20 infrastructure endowment fund and the comptroller's duties as
21 trustee to a special purpose trust company that, as provided by
22 general law, is incorporated by the comptroller.

23 (c) Money transferred to the credit of the state
24 infrastructure endowment fund and interest or other earnings on
25 that money may be used only to:

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

1 transportation infrastructure;

2 (2) make payments of principal or interest on state
3 general obligation bonds the proceeds of which were used to pay for
4 projects to repair, renovate, rehabilitate, or construct state
5 infrastructure other than transportation infrastructure; or

6 (3) make payments under a credit agreement or bond
7 enhancement agreement related to bonds described by Subdivision (2)
8 of this subsection.

9 (d) Notwithstanding Subsections (c), (e), and (f) of this
10 section, the \$1 billion transferred to the state infrastructure
11 endowment fund under Subsection (c), Section 77, of this article,
12 may not be spent. That amount must be retained in the fund as
13 principal for the purpose of generating investment income for the
14 fund until September 1, 2029. On or after that date, all or part of
15 that principal may be returned to the economic stabilization fund
16 or transferred to the state treasury to be used for other purposes,
17 as directed by the legislature.

18 (e) The trustee of the state infrastructure endowment fund,
19 without the necessity of a legislative appropriation, may apply
20 available money from the fund toward payments described by
21 Subsection (c) of this section. The trustee may enter into bond
22 enhancement agreements to provide additional security for general
23 obligation bonds or revenue bonds the proceeds of which are used to
24 finance state infrastructure projects other than transportation
25 infrastructure projects. Bond enhancement agreements must be
26 payable solely from available money from the state infrastructure
27 endowment fund. The bond enhancement agreements may not exceed an

1 amount that can be fully supported by the state infrastructure
2 endowment fund. A bond enhancement agreement entered into under
3 this subsection may not provide for a duty to make a payment under
4 the agreement so as to constitute a constitutional state debt
5 payable from general revenues of the state.

6 (f) The trustee of the state infrastructure endowment fund
7 may use that fund to finance, including by direct loan, state
8 infrastructure projects.

9 (g) This section is self-executing, however the legislature
10 by general law may provide for criteria or procedures for the
11 trustee to use in determining the use of the state infrastructure
12 endowment fund's resources.

13 SECTION 2. This proposed constitutional amendment shall be
14 submitted to the voters at an election to be held November 7, 2017.
15 The ballot shall be printed to permit voting for or against the
16 proposition: "The constitutional amendment to set aside an amount
17 of money from the economic stabilization fund and certain general
18 revenue as dedicated to pay for certain state infrastructure
19 projects and to create a state infrastructure endowment fund
20 outside of the state treasury for funding certain costs of those
21 projects."