87R1319 JG-D

By:  Menéndez S.J.R. No. 17

A JOINT RESOLUTION

proposing a constitutional amendment providing for the establishment of the Texas Research Consortium to Cure Infectious Diseases (TRANSCEND) and authorizing the issuance of general obligation bonds to fund collaborative research on and development of infectious disease treatments and cures for humans.

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

SECTION 1.  Article III, Texas Constitution, is amended by adding Section 69 to read as follows:

Sec. 69.  (a) In this section:

(1)  "Consortium" means the Texas Research Consortium to Cure Infectious Diseases (TRANSCEND).

(2)  "Disease" means a disorder of structure or function in a human that produces specific signs or symptoms or affects a specific location in the human body and that has the potential of being prevented by a vaccine or otherwise treated or cured.

(b)  The legislature by general law shall establish the Texas Research Consortium to Cure Infectious Diseases (TRANSCEND) to:

(1)  award grants to public or private persons or entities for the purpose of:

(A)  conducting collaborative research on infectious diseases and associated conditions and innovative methods to prepare for infectious disease outbreaks;

(B)  developing treatments and cures, including vaccines, for diseases and associated conditions;

(C)  developing education initiatives and conducting outreach to engage and inform the public on infectious diseases and associated conditions; and

(D)  developing initiatives to prepare for and rapidly respond to infectious disease outbreaks and public health crises;

(2)  establish a centralized research location through which the consortium will operate and facilitate collaborative research on infectious diseases and related disorders and the development of treatments and cures for infectious diseases; and

(3)  establish appropriate standards and oversight bodies for the consortium to ensure money authorized by this section is properly used for infectious disease research and preparation and for development of infectious disease treatments and cures.

(c)  The legislature by general law shall establish for the consortium a governing body and any other decision-making body the legislature determines appropriate to govern the consortium. The members of the governing body and other decision-making body of the consortium serve terms of not more than four years.

(d)  The legislature by general law may authorize the Texas Public Finance Authority to provide for, issue, and sell general obligation bonds of the State of Texas on behalf of the consortium in an amount not to exceed $3 billion and to enter into related credit agreements. The Texas Public Finance Authority may not issue more than $300 million in bonds authorized by this subsection in any state fiscal year. The bonds shall be executed in the form, on the terms, and in the denominations, bear interest, and be issued in installments as prescribed by the Texas Public Finance Authority.

(e)  Proceeds from the sale of the bonds shall be deposited in separate funds or accounts, as provided by general law, within the state treasury to be used by the consortium to implement this section.

(f)  Notwithstanding any other provision of this constitution, the consortium, which is established in state government, may use the proceeds from bonds issued under Subsection (d) of this section and any federal or private grants and gifts to:

(1)  provide grants for the purposes described by Subsection (b)(1) of this section;

(2)  purchase, subject to approval by the governing body and any other decision-making body of the consortium, research and laboratory facilities by or on behalf of a grant recipient; and

(3)  operate the consortium.

(g)  The proceeds from bonds issued under Subsection (d) of this section may be used to pay the costs of issuing the bonds and any administrative expense related to the bonds.

(h)  While any bond or interest on a bond authorized by this section is outstanding and unpaid, from the first money deposited to the state treasury in each state fiscal year not otherwise appropriated by this constitution, an amount sufficient to pay the principal of and interest on bonds that mature or become due during the year and to make payments that become due under a related credit agreement during the year is appropriated for purposes of this section, less the amount in the sinking fund at the close of the previous state fiscal year.

(i)  A bond issued under this section, after approval by the attorney general, registration by the comptroller of public accounts, and delivery to the purchasers, is incontestable and is a general obligation of this state under this constitution.

(j)  Before the consortium may make a grant of any proceeds of bonds issued under this section, the recipient of the grant must have an amount of money equal to one-half the amount of the grant dedicated to the research that is the subject of the grant request.

(k)  The Texas Public Finance Authority shall consider using a business whose principal place of business is located in this state to issue the bonds authorized by this section, including using a historically underutilized business as defined by general law.

SECTION 2.  This proposed constitutional amendment shall be submitted to the voters at an election to be held November 2, 2021. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment providing for the establishment of the Texas Research Consortium to Cure Infectious Diseases (TRANSCEND) and authorizing the issuance of up to $3 billion in general obligation bonds to fund collaborative research on and development of infectious disease treatments and cures for humans."