

BILL ANALYSIS

Senate Research Center
77R7019 MCK-F

H.J.R. 82
By: Counts (Truan)
Finance
5/4/2001
Engrossed

DIGEST AND PURPOSE

Current articles of the Texas Constitution that govern the use of the veterans' land fund, the veterans' housing assistance fund and the veterans' housing assistance fund II do not provide for the use of those funds for the veterans home or proposed veterans cemeteries programs of the Veterans' Land Board (board). Currently, the board is authorized to issue additional general obligation bonds for the veterans' housing assistance program. However, it is estimated that those funds will be exhausted by the end of 2001. H.J.R. 82 requires the submission to the voters of a constitutional amendment providing for the issuance of additional general obligation bonds to provide home mortgage loans to veterans.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 49-b, Article III, Texas Constitution, by amending Subsections (r) and (s) and adding Subsection (w), as follows:

- (r) Deletes language regarding bonds issued to provide funds to purchase lands and sell lands to veterans or make home mortgage loans to veterans.
- (s) Authorizes the Veterans' Land Board (board), if the board determines that assets from the Veterans' Land Fund, the Veterans' Housing Assistance Fund, or the Veterans' Housing Assistance Fund II are not required for the purposes of the fund, to use the assets to construct, acquire, own, operate, maintain, enlarge, improve, furnish, or equip veterans homes or veterans cemeteries.
- (w) Provides that in addition to the general obligation bonds authorized to be issued and to be sold by the Veterans' Land Board by previous constitutional amendments, the board may provide for, issue, and sell general obligation bonds of the state to provide home mortgage loans to veterans of the state. Prohibits the principal amount of outstanding bonds authorized by this subsection from at any one time exceeding \$1 billion. Requires the bond proceeds to be deposited in or used to benefit and augment the Veterans' Housing Assistance Fund II and to be administered and invested as provided by law. Requires payments of principal and interest on the bonds, including payments made under a bond enhancement agreement with respect to principal of or interest on the bonds, to be made from the sources and in the manner provided by this section for general obligation bonds issued for the benefit of the Veterans' Housing Assistance Fund II.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 6, 2001. Requires the ballot to be printed to permit voting for or against the proposition: "The constitutional amendment authorizing the Veterans' Land Board to issue up to \$1 billion in general obligation bonds payable from the general revenues of the state for veterans' housing

assistance and to use assets in certain veterans' land and veterans' housing assistance funds to provide veterans homes for the aged or infirm and veterans cemeteries and to make principal, interest, and bond enhancement payments on revenue bonds."