

BILL ANALYSIS

Senate Research Center
77R4056 DRH-D

S.J.R. 10
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Business & Commerce
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DIGEST AND PURPOSE

Allowing the Texas Department of Transportation to use new financing tools may speed delivery of new construction projects. Federally-supported leveraging techniques such as Grant Anticipation Revenue Vehicles (GARVEEs) are one possible tool. As proposed, S.J.R. 10 proposes a constitutional amendment to allow the legislature to use GARVEEs to fund highway projects.

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 Article III, Texas Constitution, by adding Section 49-k, as follows;

Sec. 49-k. (a) Authorizes the legislature to authorize the Texas Transportation Commission (commission) or its successor to fund improvements to the state highway system, including improvements relating to critical highways in the border transportation districts of the Texas Department of Transportation (department), to issue bonds and enter into bond enhancement agreements that are payable from revenue received or to be received from the federal highway trust fund and other revenue deposited to the credit of the state highway fund.

(b) Prohibits the maximum annual debt service in any fiscal year on state debt authorized by this section from exceeding 15 percent of the amount received from the federal highway trust fund by this state in the preceding fiscal year.

(c) Provides that while the principal of any of the bonds authorized by this section or interest on those bonds is outstanding, there is appropriated in each fiscal year from the revenue received from the federal highway trust fund and other revenues deposited to the credit of the state highway fund in that fiscal year an amount that does not exceed the limit imposed by Subsection (b) of this section and is sufficient to pay certain costs.

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 a certain proposition.