

BILL ANALYSIS

Senate Research Center
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S.J.R. 37
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Business & Commerce
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DIGEST AND PURPOSE

Currently, unscrupulous development and substandard housing conditions along the Texas-Mexico border are prohibited by state law. However, many neighborhoods, known as *colonias*, were built in this region prior to 1989 when legislative reform began. Since little is available or affordable to the residents of these *colonias*, many Texas residents continue to live in neighborhoods without basic services. As proposed, S.J.R. 37 authorizes the issuance of general obligation bonds to aid counties in roadway improvement projects to serve *colonias*.

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 49-1, as follows:

Sec. 49-1. Authorizes the Texas Public Finance Authority or its successor to issue and sell public securities in an amount not to exceed \$175 million, and enter into related credit agreements in the manner and form as now or hereafter may be specified by the legislature in general law for the issuance of public securities. Authorizes the proceeds of the securities authorized in this section to be used to provide financial assistance to counties for projects to construct, reconstruct, acquire, improve, or develop roadways in, around, or near colonias. Requires the specific counties and projects to be provided financial assistance and the amount of the assistance to each to be determined in accordance with administrative procedures established by the Office of the Governor. Provides that the securities authorized under this section constitute a general obligation of the state. Provides that, while any of the securities authorized herein are outstanding and unpaid, there is appropriated out of the first money coming into the treasury that is not otherwise appropriated by this constitution in each fiscal year the amount sufficient to pay the principal of and interest on the obligations, including payments under a related credit agreement.

SECTION 2. Requires that this constitutional amendment be put before the voters in an election on November 6, 2001. Requires the ballot to be printed to permit a person to vote for or against the proposition and sets forth specific wording to be contained on the ballot.