

BILL ANALYSIS

Senate Research Center

S.J.R. 39
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Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.J.R. 39 proposes a constitutional amendment for the purpose of providing incentives to advanced clean energy projects as defined by H.B. 3732, 80th Legislature, Regular Session, 2007. The incentive is created by authorizing the issuance of general obligation bonds to provide and guarantee loans to encourage advanced clean energy projects. Advanced clean energy projects have the potential to significantly reduce air emissions, including carbon dioxide, while ensuring that reliable and affordable electricity is available for Texas.

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-q, as follows:

Sec. 49-q. (a) Defines "advanced clean energy project" and "geologic storage."

(b) Authorizes the legislature by general law, to provide and guarantee loans to encourage advanced clean energy projects in this state, to authorize the Texas Public Finance Authority or its successor to issue general obligation bonds of the State of Texas in an amount not to exceed \$300 million and to enter into related credit enhancement agreements. Authorizes the proceeds from the sale of the bonds to be used only to make and guarantee loans to business entities for advanced clean energy projects in this state.

(c) Provides that bonds authorized under this section constitute a general obligation of the state. Provides that while any of the bonds or interest on the bonds is outstanding and unpaid, there is appropriated out of the first money coming into the treasury in each fiscal year not otherwise appropriated by this constitution an amount sufficient to pay the principal of and interest on the bonds that mature or become due during the fiscal year, including an amount sufficient to make payments under a related bond enhancement agreement.

SECTION 2. Requires the proposed constitutional amendment to be submitted to the voters at an election be held November 3, 2009. Sets forth the required language of the ballot.