

## **RESOLUTION ANALYSIS**

C.S.H.J.R. 13  
By: Pickett  
Transportation  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties call for additional options in the Texas Constitution to dedicate funding for transportation and to address the growing debt concerns of the state. These parties contend that these options should be based on the sales tax, rather than the motor vehicle sales tax, as the sales tax is more inclusive due to the contribution of all users of transportation. C.S.H.J.R. 13 seeks to address this issue.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this resolution does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.J.R. 13 proposes an amendment to the Texas Constitution to require the comptroller of public accounts to deposit to the credit of the state highway fund in each state fiscal year \$3 billion of the net revenue derived from the imposition of the state sales and use tax on the sale, storage, use, or other consumption in Texas of taxable items under the Limited Sales, Excise, and Use Tax Act or its successor. The resolution requires the comptroller to additionally deposit to the credit of the state highway fund, in each state fiscal year, two percent of the net revenue derived from the imposition of the state sales and use tax under the Limited Sales, Excise, and Use Tax Act that is not deposited as part of that \$3 billion dedication. The resolution limits the appropriation of the dedicated revenue to the construction, maintenance, or acquisition of rights-of-way for public roadways other than toll roads; the repayment of the principal of and interest on certain bonds, public securities, and bond enhancement agreements; or the repayment of the principal of and interest on general obligation bonds. These resolution provisions relating to the dedications to the state highway fund expire September 1, 2026.

C.S.H.J.R. 13 adds a temporary provision, set to expire September 1, 2018, to establish that the resolution's \$3 billion dedication to the state highway fund takes effect September 1, 2017, and the resolution's additional dedication of certain revenue derived from state sales and use taxes to the state highway fund takes effect September 1, 2016.

### **ELECTION DATE**

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 3, 2015.

## COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.J.R. 13 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the resolution.

### INTRODUCED

SECTION 1. Article VIII, Texas Constitution, is amended by adding Section 7-c to read as follows:

Sec. 7-c. (a) In each state fiscal year, the comptroller of public accounts shall deposit an amount equal to \$3 billion of the total net revenue derived from the imposition of the state sales and use tax on the sale, storage, use, or other consumption in this state of taxable items under Chapter 151, Tax Code, or its successor, to the credit of the state highway fund.

(b) In addition to the deposit made under subsection (a), the comptroller shall deposit an amount equal to two percent of the net revenue derived from the imposition of the state sales and use tax under Chapter 151, Tax Code, minus the deposit required under subsection (a) to the credit of the state highway fund.

(c) Revenue deposited to the credit of the state highway fund under subsections (a) and (b) may be appropriated only to:

(1) construct, maintain, or acquire rights-of-way for public roadways other than toll roads;

(2) to repay the principal of and interest on bonds and other public securities issued, and bond enhancement agreements entered into, as authorized by Section 49-n, Article III, Texas Constitution, as proposed by H.J.R. 28, 78th Legislature, Regular Session, 2003;

or,  
(3) repay the principal and interest on general obligation bonds issued as authorized by Section 49-p, Article III, of this constitution.

(d) This provision expires September 1, 2026.

SECTION 2. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION: (a) This temporary provision applies to the constitutional amendment proposed by the 84th Legislature, Regular session, 2015,

### HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Article VIII, Texas Constitution, is amended by adding Section 7-c to read as follows:

Sec. 7-c. (a) In each state fiscal year, the comptroller of public accounts shall deposit to the credit of the state highway fund \$3 billion of the net revenue derived from the imposition of the state sales and use tax on the sale, storage, use, or other consumption in this state of taxable items under Chapter 151, Tax Code, or its successor.

(b) In addition to any deposit made under Subsection (a) of this section, in each state fiscal year the comptroller of public accounts shall deposit to the credit of the state highway fund an amount equal to two percent of the net revenue described by that subsection that is not deposited as provided by that subsection.

(c) Money deposited to the credit of the state highway fund under this section may be appropriated only to:

(1) construct, maintain, or acquire rights-of-way for public roadways other than toll roads; or

(2) repay the principal of and interest on:  
(A) bonds and other public securities issued, and bond enhancement agreements entered into, as authorized by Section 49-n, Article III, of this constitution, as proposed by H.J.R. 28, 78th Legislature, Regular Session, 2003; and

(B) general obligation bonds issued as authorized by Section 49-p, Article III, of this constitution.

(d) This section expires September 1, 2026.

SECTION 2. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 84th Legislature, Regular Session, 2015,

dedicating a portion of the state sales and use tax to the state highway fund.

(b) Section 7-c(a), Article VIII, of this constitution takes effect September 1, 2017.

(c) Section 7-c(b), Article VIII, of this constitution takes effect September 1, 2016.

(d) This temporary provision expires September 1, 2016.

This proposed constitutional amendment shall be submitted to the voters at an election to be held November 3, 2015. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment dedicating a portion of sales tax revenue towards increased transportation funding."

temporarily dedicating a portion of the revenue derived from the state sales and use tax to the state highway fund.

(b) Section 7-c(a), Article VIII, of this constitution takes effect September 1, 2017.

(c) Section 7-c(b), Article VIII, of this constitution takes effect September 1, 2016.

(d) This temporary provision expires September 1, 2018.

SECTION 3. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 3, 2015. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment temporarily dedicating a portion of state sales and use tax revenue to increase transportation funding."