

BILL ANALYSIS

Senate Research Center
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S.J.R. 27
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Finance
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DIGEST AND PURPOSE

Current law provides for some revenue from the tax on motor fuels to be allocated to the Available School Fund as well as to public road maintenance and construction. As proposed, S.J.R. 27 proposes a constitutional amendment to be placed before Texas voters to increase the tax on motor fuels and to apply 25 percent of that revenue to pay for health benefits for employees of school districts. The remaining 75 percent of the revenue would be allocated to the Texas Department of Transportation.

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 7-a, Article VIII, Texas Constitution, as follows:

- (a) Requires that, except as provided by Section 7-c of this article and subject to legislative appropriation, allocation, and direction, all net revenues remaining after payment of all refunds allowed by law and expenses of collection derived from motor vehicle registration fees, and all taxes, except gross production and ad valorem taxes, on motor fuels and lubricants used to propel motor vehicles over public roadways, be used only for certain stated purposes. Makes conforming changes.
- (b) Deletes text in current Subsection (a) regarding the aforementioned revenues and taxes being used to pay principal and interest on certain bonds or warrants. Requires that one-fourth of the net revenue from the motor fuel tax authorized under this section be allocated to the available school fund.
- (c) Makes conforming changes.
- (d) Requires that nothing contained in this section be construed as authorizing the pledging of the state's credit for any purpose.

SECTION 2. Amends Article VIII, Texas Constitution, by adding Section 7-c, as follows:

- Sec. 7-c. (a) Requires the legislature by law, in addition to any taxes on motor fuels authorized by other provisions of this constitution, to impose for the purposes described by this section a special tax of four cents on the sale of motor fuels used to propel motor vehicles over public roadways.
- (b) Sets forth specific requirements for the allocation of the tax imposed under Subsection (a).

SECTION 3. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 6, 2001. Requires specific stated wording to be printed on the ballot to permit voting for or against the proposition.