

BILL ANALYSIS

Senate Research Center
77R6658 DWS-D

S.J.R. 41
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Finance
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As Filed

DIGEST AND PURPOSE

Despite significant increases in transportation dollars associated with passage of the federal Transportation Equity Act for the 21st Century (TEA-21), the Texas Department of Transportation (TxDOT) is currently able to meet only 36 percent of the state's documented transportation needs. The state comptroller's review of TxDOT in January 2001 recommended that TxDOT be able to borrow funds on a short-term basis, either from the state treasury or from outside capital markets, in order to allow TxDOT to manage its cash position more aggressively. The ability to borrow on a short-term basis would lessen concerns about spending beyond day-to-day available cash. As proposed, S.J.R. 41 authorizes the Texas Transportation Commission or its successor to borrow money for a term of one year or less.

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 borrow money from certain sources for certain purposes.

(b) Prohibits a loan under this section from having a term of more than one year. Provides that a debt created by the loan is not a general obligation of the state and is payable only as authorized by legislative appropriation.

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 the proposition: "The constitutional amendment providing for authorization of the borrowing of money on a short-term basis by a state transportation agency for transportation-related projects."