

BILL ANALYSIS

Senate Research Center
77R1714 DRH-D

S.J.R. 7
By: Lucio
Subcommittee on Border Affairs
2/28/2001
As Filed

DIGEST AND PURPOSE

Allowing the Texas Department of Transportation to use new financing tools may speed delivery of new construction projects. Federally-supported leveraging techniques such as Grant Anticipation Revenue Vehicles (GARVEEs) are one possible tool. As proposed, S.J.R. 7 proposes a constitutional amendment to allow the legislature to use GARVEEs to fund highway projects.

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. Authorizes the legislature, in order to fund improvements to the state highway system, including improvements relating to the North American Free Trade Agreement-related corridors, to authorize the Texas Transportation Commission or its successor to issue bonds and enter into bond enhancement agreements that are payable from revenue received or to be received from the federal highway trust fund and other revenue deposited to the credit of the state highway fund. Provides a limit to the maximum annual debt service in any fiscal year on state debt authorized by this section. Provides that while the principal of any bonds authorized by this section or interest on those bonds is outstanding, there is appropriated an amount from certain funds in each fiscal year that does not exceed the limit imposed by this section and is sufficient to pay certain costs. Provides that the authority to issue bonds under this section expires on September 1, 2005, unless certain conditions are met before that date. Provides that the expiration of the authority to issue bonds under this section does not affect the validity of a bond that was issued before the authority expired.

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