

## **BILL ANALYSIS**

Senate Research Center

S.J.R. 50  
By: Averitt  
Natural Resources  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

As proposed, S.J.R. 50 creates a constitutional amendment to authorize the Texas Water Development Board to issue general obligation bonds for the Texas Water Development Fund II in amounts up to \$6 billion at any given time. S.J.R. 50 provides that bonds may be sold without additional constitutional authority provided that a sufficient amount of the initial \$6 billion bond has been retired and that total outstanding indebtedness does not exceed \$6 billion.

### **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-d-11, as follows:

Sec. 49-d-11. ISSUANCE OF ADDITIONAL GENERAL OBLIGATION BONDS. (a) Authorizes the Texas Water Development Board, in addition to other bonds authorized by this article, to issue additional general obligation bonds, at its determination and on a continuing basis, for one or more accounts of the Texas Water Development Fund II, in amounts such that the aggregate principal amount of the bonds issued under this section does not exceed \$6 billion outstanding at any one time.

(b) Provides that Section 49-d-8 (Texas Water Development Fund II) of this article, except as provided by Subsection (c) of this section, applies to the bonds authorized by this section.

(c) Provides that the limitation provided by Section 49-d-8 of this article that the Texas Water Development Board is prohibited from issuing bonds in excess of the aggregate principal amount of previously authorized bonds does not apply to the bonds authorized by and issued under this section.

(d) Provides that a limitation on the percentage of state participation in any single project imposed by this article does not apply to a project funded with the proceeds of bonds issued under the authority of this section or Section 49-d-8 of this article.

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