

1-1 By: Williams S.J.R. No. 1  
 1-2 (In the Senate - Filed April 10, 2013; April 10, 2013, read  
 1-3 first time and referred to Committee on Finance; April 11, 2013,  
 1-4 reported favorably by the following vote: Yeas 15, Nays 0;  
 1-5 April 11, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			
1-21	X			
1-22	X			

1-23 SENATE JOINT RESOLUTION

1-24 proposing a constitutional amendment providing for the creation and  
 1-25 use of funds in the state treasury to provide financial assistance  
 1-26 for certain projects related to economic development and water  
 1-27 infrastructure and for the transfer to the funds of money from the  
 1-28 economic stabilization fund.

1-29 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-30 SECTION 1. Article III, Texas Constitution, is amended by  
 1-31 adding Section 49-d-12 to read as follows:

1-32 Sec. 49-d-12. (a) The state water implementation fund for  
 1-33 Texas is created as a special fund in the state treasury outside the  
 1-34 general revenue fund to provide a means to finance water  
 1-35 infrastructure projects in this state.

1-36 (b) Money or other assets in the state water implementation  
 1-37 fund for Texas may be used only to fund water infrastructure  
 1-38 projects included in a statewide water plan that is adopted as  
 1-39 required by general law by the Texas Water Development Board or that  
 1-40 board's successor in function.

1-41 (c) The state water implementation fund for Texas consists  
 1-42 of:

1-43 (1) money or other assets deposited, appropriated, or  
 1-44 otherwise transferred to the credit of the fund as provided by law;  
 1-45 and

1-46 (2) interest or other investment earnings that accrue  
 1-47 on the balance of the fund.

1-48 (d) The legislature by general law may provide for the  
 1-49 assets of the state water implementation fund for Texas to be  
 1-50 invested separately from the investment of other treasury assets  
 1-51 and funds to the extent that the general law ensures that, in  
 1-52 managing the assets of the fund, on behalf of the fund the fund's  
 1-53 investment manager may acquire, exchange, sell, supervise, manage,  
 1-54 or retain any kind of investment that a prudent investor,  
 1-55 exercising reasonable care, skill, and caution, would acquire or  
 1-56 retain in light of the purposes, terms, distribution requirements,  
 1-57 and other circumstances of the fund then prevailing, taking into  
 1-58 consideration the investment of all the assets of the fund rather  
 1-59 than a single investment, and taking into consideration the goal of  
 1-60 preserving the aggregate purchasing power of the fund assets.

1-61 (e) The legislature by general law shall prescribe the

2-1 manner in which the assets of the state water implementation fund  
 2-2 for Texas may be used, subject to the limitations provided by  
 2-3 Subsections (a) and (b) of this section.

2-4 (f) An appropriation from the state water implementation  
 2-5 fund for Texas is an appropriation of state tax revenues dedicated  
 2-6 by this constitution for the purposes of Section 22, Article VIII,  
 2-7 of this constitution.

2-8 (g) On November 30, 2013, the amount of \$2.5 billion is  
 2-9 transferred from the economic stabilization fund to the credit of  
 2-10 the state water implementation fund for Texas. This subsection  
 2-11 expires January 1, 2014.

2-12 SECTION 2. Section 49-p, Article III, Texas Constitution,  
 2-13 is amended by adding Subsection (e) to read as follows:

2-14 (e) Money deposited to the credit of the state highway fund  
 2-15 may be appropriated to repay the principal and interest on bonds  
 2-16 issued under this section.

2-17 SECTION 3. Article XVI, Texas Constitution, is amended by  
 2-18 adding Section 74 to read as follows:

2-19 Sec. 74. (a) In this section:

2-20 (1) "Commission" means the Texas Transportation  
 2-21 Commission or its successor in function.

2-22 (2) "Economic development infrastructure" includes  
 2-23 transportation infrastructure and port infrastructure. The term  
 2-24 includes freight rail infrastructure.

2-25 (3) "Fund" means the state infrastructure fund.

2-26 (4) "Political subdivision" means:

2-27 (A) a county;

2-28 (B) a municipality; or

2-29 (C) another governmental unit that has the  
 2-30 authority to build roads or operate and develop ports, including a  
 2-31 district created under Section 52, Article III, or Section 59,  
 2-32 Article XVI, of this constitution.

2-33 (b) The state infrastructure fund is created as a special  
 2-34 fund in the state treasury outside the general revenue fund. The  
 2-35 fund consists of:

2-36 (1) money or other assets deposited, appropriated, or  
 2-37 otherwise transferred to the credit of the fund as provided by law;

2-38 (2) donations made to the fund;

2-39 (3) loan repayments received by the commission from  
 2-40 loans made under this section; and

2-41 (4) interest or other investment earnings that accrue  
 2-42 on the balance of the fund.

2-43 (c) The commission may use money or other assets in the fund  
 2-44 only to provide:

2-45 (1) loans to political subdivisions for projects  
 2-46 related to economic development infrastructure; or

2-47 (2) credit enhancement to political subdivisions and  
 2-48 other governmental entities for projects related to economic  
 2-49 development infrastructure.

2-50 (d) Money or other assets in the fund shall be invested  
 2-51 separately from the investment of other treasury assets and funds.  
 2-52 In managing the assets of the fund, on behalf of the fund the  
 2-53 comptroller may acquire, exchange, sell, supervise, manage, or  
 2-54 retain any kind of investment that a prudent investor, exercising  
 2-55 reasonable care, skill, and caution, would acquire or retain in  
 2-56 light of the purposes, terms, distribution requirements, and other  
 2-57 circumstances of the fund then prevailing, taking into  
 2-58 consideration the investment of all the assets of the fund rather  
 2-59 than a single investment, and taking into consideration the goal of  
 2-60 preserving the aggregate purchasing power of the fund assets.

2-61 (e) The legislature by general law shall prescribe the  
 2-62 manner in which the assets of the fund may be used, subject to the  
 2-63 limitations provided by Subsection (c) of this section.

2-64 (f) Money in the fund may not be used for passenger rail  
 2-65 projects.

2-66 (g) An appropriation from the fund is an appropriation of  
 2-67 state tax revenues dedicated by this constitution for the purposes  
 2-68 of Section 22, Article VIII, of this constitution.

2-69 (h) On November 30, 2013, the amount of \$3.5 billion is

3-1 transferred from the economic stabilization fund to the credit of  
3-2 the fund. This subsection expires January 1, 2014.

3-3 SECTION 4. (a) The proposed amendment to the Texas  
3-4 Constitution providing for adding Section 49-d-12, Article III, to  
3-5 the constitution shall be submitted to the voters at an election to  
3-6 be held November 5, 2013. The ballot shall be printed to permit  
3-7 voting for or against the proposition: "The constitutional  
3-8 amendment providing for the transfer of existing money from the  
3-9 economic stabilization fund to a state water implementation fund  
3-10 for Texas to assist in the financing of priority water  
3-11 infrastructure projects in the state water plan."

3-12 (b) The proposed amendment to the Texas Constitution  
3-13 providing for amending Section 49-p, Article III, and adding  
3-14 Section 74, Article XVI, to the constitution shall be submitted to  
3-15 the voters at an election to be held November 5, 2013. The ballot  
3-16 shall be printed to permit voting for or against the proposition:  
3-17 "The constitutional amendment providing for the transfer of  
3-18 existing money from the economic stabilization fund to a state  
3-19 infrastructure fund to assist in the financing of transportation,  
3-20 port, freight rail, and other similar economic development  
3-21 infrastructure projects and authorizing the use of state highway  
3-22 funds for paying the principal and interest on certain general  
3-23 obligation bonds issued by the Texas Transportation Commission."

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