A JOINT RESOLUTION

proposing a constitutional amendment creating the Texas rail
relocation and improvement fund and authorizing grants of money and
issuance of obligations for financing the relocation,
construction, reconstruction, acquisition, improvement,
rehabilitation, and expansion of certain rail facilities.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

Sec. 49-o. (a) In this section:

(1) "Commission" means the Texas Transportation
Commission or its successor.

(2) "Comptroller" means the comptroller of public
accounts of the State of Texas.

(3) "Department" means the Texas Department of
Transportation or its successor.

(4) "Fund" means the Texas rail relocation and
improvement fund.

(5) "Improvement" includes construction,
reconstruction, acquisition, rehabilitation, and expansion.

(6) "Obligations" means bonds, notes, and other public
securities.

(b) The Texas rail relocation and improvement fund is
created in the state treasury. The fund shall be administered by
the commission to provide a method of financing the relocation and
improvement of privately and publicly owned passenger and freight rail facilities for the purposes of:

(1) relieving congestion on public highways;
(2) enhancing public safety;
(3) improving air quality; or
(4) expanding economic opportunity.

(b-1) The fund may also be used to provide a method of financing the construction of railroad underpasses and overpasses, if the construction is part of the relocation of a rail facility.

(c) The commission may issue and sell obligations of the state and enter into related credit agreements that are payable from and secured by a pledge of and a lien on all or part of the money on deposit in the fund in an aggregate principal amount that can be repaid when due from money on deposit in the fund, as that aggregate amount is projected by the comptroller in accordance with procedures established by law. The proceeds of the obligations must be deposited in the fund and used for one or more specific purposes authorized by law, including:

(1) refunding obligations and related credit agreements authorized by this section;
(2) creating reserves for payment of the obligations and related credit agreements;
(3) paying the costs of issuance; and
(4) paying interest on the obligations and related credit agreements for a period not longer than the maximum period established by law.

(d) The legislature by law may dedicate to the fund one or
more specific sources or portions, or a specific amount, of the
t revenue, including taxes, and other money of the state that are not
otherwise dedicated by this constitution.

(e) Money dedicated as provided by this section is
appropriated when received by the state, shall be deposited in the
fund, and may be used as provided by this section and law enacted
under this section without further appropriation. While money in
the fund is pledged to the payment of any outstanding obligations or
related credit agreements, the dedication of a specific source or
portion of revenue, taxes, or other money made as provided by this
section may not be reduced, rescinded, or repealed unless:

(1) the legislature by law dedicates a substitute or
different source that is projected by the comptroller to be of a
value equal to or greater than the source or amount being reduced,
rescinded, or repealed and authorizes the commission to implement
the authority granted by Subsection (f) of this section; and

(2) the commission implements the authority granted by
the legislature pursuant to Subsection (f) of this section.

(f) In addition to the dedication of specified sources or
amounts of revenue, taxes, or money as provided by Subsection (d) of
this section, the legislature may by law authorize the commission
to guarantee the payment of any obligations and credit agreements
issued and executed by the commission under the authority of this
section by pledging the full faith and credit of the state to that
payment if dedicated revenue is insufficient for that purpose. If
that authority is granted and is implemented by the commission,
while any of the bonds, notes, other obligations, or credit
agreements are outstanding and unpaid, and for any fiscal year
during which the dedicated revenue, taxes, and money are
insufficient to make all payments when due, there is appropriated,
and there shall be deposited in the fund, out of the first money
coming into the state treasury in each fiscal year that is not
otherwise appropriated by this constitution, an amount sufficient
to pay the principal of and interest on the obligations and
agreements that become due during that fiscal year, minus any
amount in the fund that is available for that payment in accordance
with applicable law.

(g) Proceedings authorizing obligations and related credit
agreements to be issued and executed under the authority of this
section shall be submitted to the attorney general for approval as
to their legality. If the attorney general finds that they will be
issued in accordance with this section and applicable law, the
attorney general shall approve them, and, after payment by the
purchasers of the obligations in accordance with the terms of sale
and after execution and delivery of the related credit agreements,
the obligations and related credit agreements are incontestable for
any cause.

(h) Obligations and credit agreements issued or executed
under the authority of this section may not be included in the
computation required by Section 49-j, Article III, of this
constitution, except that if money has been dedicated to the fund
without specification of its source or the authority granted by
Subsection (f) of this section has been implemented, the
obligations and credit agreements shall be included to the extent
the comptroller projects that general funds of the state, if any, will be required to pay amounts due on or on account of the obligations and credit agreements.

(i) The collection and deposit of the amounts required by this section, applicable law, and contract to be applied to the payment of obligations and credit agreements issued, executed, and secured under the authority of this section may be enforced by mandamus against the commission, the department, and the comptroller in a district court of Travis County, and the sovereign immunity of the state is waived for that purpose.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 8, 2005. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment creating the Texas rail relocation and improvement fund and authorizing grants of money and issuance of obligations for financing the relocation, rehabilitation, and expansion of rail facilities."
H.J.R. No. 54

David Bu schem
President of the Senate

Jim Andree
Speaker of the House

I certify that H.J.R. No. 54 was passed by the House on April 25, 2005, by the following vote: Yeas 107, Nays 24, 1 present, not voting.

Robert Hames
Chief Clerk of the House

I certify that H.J.R. No. 54 was passed by the Senate on May 25, 2005, by the following vote: Yeas 31, Nays 0.

Kathy Saul
Secretary of the Senate

RECEIVED: ____________________

Date

________________________________________
Secretary of State

FILED IN THE OFFICE OF THE SECRETARY OF STATE
11:05 O'CLOCK
JUN 06 2005

Roger A. Williams
Secretary of State