THE TEXAS CONSTITUTION

ARTICLE 3. LEGISLATIVE DEPARTMENT

Sec. 1. SENATE AND HOUSE OF REPRESENTATIVES. The Legislative power of this State shall be vested in a Senate and House of Representatives, which together shall be styled "The Legislature of the State of Texas."
(Feb. 15, 1876.)

Sec. 2. MEMBERSHIP OF SENATE AND HOUSE OF REPRESENTATIVES. The Senate shall consist of thirty-one members. The House of Representatives shall consist of 150 members.
(Feb. 15, 1876. Amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 2: See Appendix, Note 1.)

Sec. 3. ELECTION AND TERM OF OFFICE OF SENATORS. The Senators shall be chosen by the qualified voters for the term of four years; but a new Senate shall be chosen after every apportionment, and the Senators elected after each apportionment shall be divided by lot into two classes. The seats of the Senators of the first class shall be vacated at the expiration of the first two years, and those of the second class at the expiration of four years, so that one half of the Senators shall be chosen biennially thereafter. Senators shall take office following their election, on the day set by law for the convening of the Regular Session of the Legislature, and shall serve thereafter for the full term of years to which elected.
(Feb. 15, 1876. Amended Nov. 8, 1966, and Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 3: See Appendix, Note 1.)

Sec. 4. ELECTION AND TERM OF MEMBERS OF HOUSE OF REPRESENTATIVES. The Members of the House of Representatives shall be chosen by the qualified voters for the term of two years. Representatives shall take office following their election, on the day set by law for the convening of the Regular Session of the Legislature, and shall serve thereafter for the full term of years

to which elected.

(Feb. 15, 1876. Amended Nov. 8, 1966, and Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 4: See Appendix, Note 1.)

Sec. 5. MEETINGS; ORDER OF BUSINESS. (a) The Legislature shall meet every two years at such time as may be provided by law and at other times when convened by the Governor.

(b) When convened in regular Session, the first thirty days thereof shall be devoted to the introduction of bills and resolutions, acting upon emergency appropriations, passing upon the confirmation of the recess appointees of the Governor and such emergency matters as may be submitted by the Governor in special messages to the Legislature. During the succeeding thirty days of the regular session of the Legislature the various committees of each House shall hold hearings to consider all bills and resolutions and other matters then pending; and such emergency matters as may be submitted by the Governor. During the remainder of the session the Legislature shall act upon such bills and resolutions as may be then pending and upon such emergency matters as may be submitted by the Governor in special messages to the Legislature.

(c) Notwithstanding Subsection (b), either House may determine its order of business by an affirmative vote of four-fifths of its membership.

(Feb. 15, 1876. Amended Nov. 4, 1930, and Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 5: See Appendix, Note 1.)

Sec. 6. QUALIFICATIONS OF SENATORS. No person shall be a Senator, unless he be a citizen of the United States, and, at the time of his election a qualified voter of this State, and shall have been a resident of this State five years next preceding his election, and the last year thereof a resident of the district for which he shall be chosen, and shall have attained the age of twenty-six years.

(Feb. 15, 1876. Amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 6: See Appendix, Note 1.)

Sec. 7. QUALIFICATIONS OF REPRESENTATIVES. No person shall be a Representative, unless he be a citizen of the United States, and, at the time of his election, a qualified voter of this State, and shall have been a resident of this State two years next preceding his election, the last year thereof a resident of the district for which he shall be chosen, and shall have attained the age of twenty-one years.

(Feb. 15, 1876. Amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 7: See Appendix, Note 1.)

Sec. 8. EACH HOUSE JUDGE OF QUALIFICATIONS AND ELECTION OF ITS MEMBERS; ELECTION CONTESTS. Each House shall be the judge of the qualifications and election of its own members; but contested elections shall be determined in such manner as shall be provided by law.

(Feb. 15, 1876.)

Sec. 9. PRESIDENT PRO TEMPORE OF SENATE; LIEUTENANT GOVERNOR VACANCY; SPEAKER OF HOUSE OF REPRESENTATIVES; OTHER OFFICERS. (a) The Senate shall, at the beginning and close of each session, and at such other times as may be necessary, elect one of its members President pro tempore, who shall perform the duties of the Lieutenant Governor in any case of absence or temporary disability of that officer. If the office of Lieutenant Governor becomes vacant, the President pro tempore of the Senate shall convene the Committee of the Whole Senate within 30 days after the vacancy occurs. The Committee of the Whole shall elect one of its members to perform the duties of the Lieutenant Governor in addition to the member's duties as Senator until the next general election. If the Senator so elected ceases to be a Senator before the election of a new Lieutenant Governor, another Senator shall be elected in the same manner to perform the duties of the Lieutenant Governor until the next general election. Until the Committee of the Whole elects one of its members for this purpose, the President pro tempore shall perform the duties of the Lieutenant Governor as provided by this subsection.

(b) The House of Representatives shall, when it first

assembles, organize temporarily, and thereupon proceed to the election of a Speaker from its own members.

(c) Each House shall choose its other officers.

(Feb. 15, 1876. Amended Nov. 6, 1984; Subsec. (a) amended Nov. 2, 1999.)

Sec. 10. QUORUM; ADJOURNMENTS FROM DAY TO DAY; COMPELLING ATTENDANCE. Two-thirds of each House shall constitute a quorum to do business, but a smaller number may adjourn from day to day, and compel the attendance of absent members, in such manner and under such penalties as each House may provide.

(Feb. 15, 1876.)

Sec. 11. RULES OF PROCEDURE; PUNISHMENT OR EXPULSION OF MEMBER. Each House may determine the rules of its own proceedings, punish members for disorderly conduct, and, with the consent of two-thirds, expel a member, but not a second time for the same offence†.

(Feb. 15, 1876.)

† The language of this provision is identical to the language of the official legislative measure that originally proposed the provision. A digital image of the original text of the official enrolled measure can be found here.

Sec. 12. JOURNALS OF PROCEEDINGS; RECORD VOTES. (a) Each house of the legislature shall keep a journal of its proceedings, and publish the same.

(b) A vote taken by either house must be by record vote with the vote of each member entered in the journal of that house if the vote is on final passage of a bill, a resolution proposing or ratifying a constitutional amendment, or another resolution other than a resolution of a purely ceremonial or honorary nature. Either house by rule may provide for exceptions to this requirement for a bill that applies only to one district or political subdivision of this state. For purposes of this subsection, a vote on final passage includes a vote on third reading in a house, or on second reading if the house suspends the requirement for three readings,

on whether to concur in the other house's amendments, and on whether to adopt a conference committee report.

(c) The yeas and nays of the members of either house on any other question shall, at the desire of any three members present, be entered on the journals.

(d) Each house shall make each record vote required under Subsection (b) of this section, including the vote of each individual member as recorded in the journal of that house, available to the public for a reasonable period of not less than two years through the Internet or a successor electronic communications system accessible by the public. For a record vote on a bill or on a resolution proposing or ratifying a constitutional amendment, the record vote must be accessible to the public by reference to the designated number of the bill or resolution and by reference to its subject.

(Feb. 15, 1876. Subsecs. (a) and (c) amended, and (b) and (d) added Nov. 6, 2007.)

Sec. 13. VACANCY IN LEGISLATURE. (a) When vacancies occur in either House, the Governor, or the person exercising the power of the Governor, shall issue writs of election to fill such vacancies; and should the Governor fail to issue a writ of election to fill any such vacancy within twenty days after it occurs, the returning officer of the district in which such vacancy may have happened, shall be authorized to order an election for that purpose.

(b) The legislature may provide by general law for the filling of a vacancy in the legislature without an election if only one person qualifies and declares a candidacy in an election to fill the vacancy.

(Feb. 15, 1876. Amended Nov. 6, 2001.)

Sec. 14. PRIVILEGE FROM ARREST DURING LEGISLATIVE SESSION. Senators and Representatives shall, except in cases of treason, felony, or breach of the peace, be privileged from arrest during the session of the Legislature, and in going to and returning from the same.

(Feb. 15, 1876. Amended Nov. 2, 1999.) (TEMPORARY TRANSITION

PROVISIONS for Sec. 14: See Appendix, Note 1.)

Sec. 15. DISRESPECTFUL OR DISORDERLY CONDUCT; OBSTRUCTION OF PROCEEDINGS. Each House may punish, by imprisonment, during its sessions, any person not a member, for disrespectful or disorderly conduct in its presence, or for obstructing any of its proceedings; provided, such imprisonment shall not, at any one time, exceed forty-eight hours.
(Feb. 15, 1876.)

Sec. 16. OPEN SESSIONS. The sessions of each House shall be open, except the Senate when in Executive session.
(Feb. 15, 1876.)

Sec. 17. ADJOURNMENTS. Neither House shall, without the consent of the other, adjourn for more than three days, nor to any other place than that where the Legislature may be sitting.
(Feb. 15, 1876.)

Sec. 18. INELIGIBILITY FOR OTHER OFFICES; VOTING FOR OTHER MEMBERS; INTEREST IN STATE OR COUNTY CONTRACTS. No Senator or Representative shall, during the term for which he was elected, be eligible to (1) any civil office of profit under this State which shall have been created, or the emoluments of which may have been increased, during such term, or (2) any office or place, the appointment to which may be made, in whole or in part, by either branch of the Legislature; provided, however, the fact that the term of office of Senators and Representatives does not end precisely on the last day of December but extends a few days into January of the succeeding year shall be considered as de minimis, and the ineligibility herein created shall terminate on the last day in December of the last full calendar year of the term for which he was elected. No member of either House shall vote for any other member for any office whatever, which may be filled by a vote of the Legislature, except in such cases as are in this Constitution provided, nor shall any member of the Legislature be interested, either directly or indirectly, in any contract with the State, or

any county thereof, authorized by any law passed during the term for which he was elected.
(Feb. 15, 1876. Amended Nov. 5, 1968.)

Sec. 19. INELIGIBILITY OF PERSONS HOLDING OTHER OFFICES. No judge of any Court, Secretary of State, Attorney General, Clerk of any Court of Record, or any person holding a lucrative office under the United States, or this State, or any foreign government shall during the term for which he is elected or appointed, be eligible to the Legislature.
(Feb. 15, 1876.)

Sec. 20. ELIGIBILITY OF COLLECTORS OF TAXES OR PERSONS ENTRUSTED WITH PUBLIC MONEY. No person who at any time may have been a collector of taxes, or who may have been otherwise entrusted with public money, shall be eligible to the Legislature, or to any office of profit or trust under the State government, until he shall have obtained a discharge for the amount of such collections, or for all public moneys with which he may have been entrusted.
(Feb. 15, 1876.)

Sec. 21. WORDS SPOKEN IN DEBATE. No member shall be questioned in any other place for words spoken in debate in either House.
(Feb. 15, 1876.)

Sec. 22. DISCLOSURE OF PERSONAL OR PRIVATE INTEREST IN MEASURE OR BILL; NOT TO VOTE. A member who has a personal or private interest in any measure or bill, proposed, or pending before the Legislature, shall disclose the fact to the House, of which he is a member, and shall not vote thereon.
(Feb. 15, 1876.)

Sec. 23. VACANCY FOLLOWING REMOVAL FROM DISTRICT OR COUNTY FROM WHICH ELECTED. If any Senator or Representative remove his residence from the district or county for which he was elected, his office shall thereby become vacant, and the vacancy shall be filled

as provided in section 13 of this article.
(Feb. 15, 1876.)

Sec. 23a. (Repealed Nov. 4, 1997.)

Sec. 24. COMPENSATION AND EXPENSES OF MEMBERS OF LEGISLATURE; DURATION OF REGULAR SESSIONS. (a) Members of the Legislature shall receive from the Public Treasury a salary of Six Hundred Dollars ($600) per month, unless a greater amount is recommended by the Texas Ethics Commission and approved by the voters of this State in which case the salary is that amount. Each member shall also receive a per diem set by the Texas Ethics Commission for each day during each Regular and Special Session of the Legislature.

(b) No Regular Session shall be of longer duration than one hundred and forty (140) days.

(c) In addition to the per diem the Members of each House shall be entitled to mileage at the same rate as prescribed by law for employees of the State of Texas.
(Feb. 15, 1876. Amended Nov. 4, 1930, Nov. 2, 1954, Nov. 8, 1960, April 22, 1975, and Nov. 5, 1991.)

Sec. 24a. TEXAS ETHICS COMMISSION; LEGISLATIVE SALARIES AND PER DIEM. (a) The Texas Ethics Commission is a state agency consisting of the following eight members:

(1) two members of different political parties appointed by the governor from a list of at least 10 names submitted by the members of the house of representatives from each political party required by law to hold a primary;

(2) two members of different political parties appointed by the governor from a list of at least 10 names submitted by the members of the senate from each political party required by law to hold a primary;

(3) two members of different political parties appointed by the speaker of the house of representatives from a list of at least 10 names submitted by the members of the house from each

political party required by law to hold a primary; and

(4) two members of different political parties appointed by the lieutenant governor from a list of at least 10 names submitted by the members of the senate from each political party required by law to hold a primary.

(b) The governor may reject all names on any list submitted under Subsection (a)(1) or (2) of this section and require a new list to be submitted. The members of the commission shall elect annually the chairman of the commission.

(c) With the exception of the initial appointees, commission members serve for four-year terms. Each appointing official will make one initial appointment for a two-year term and one initial appointment for a four-year term. A vacancy on the commission shall be filled for the unexpired portion of the term in the same manner as the original appointment. A member who has served for one term and any part of a second term is not eligible for reappointment.

(d) The commission has the powers and duties provided by law.

(e) The commission may recommend the salary of the members of the legislature and may recommend that the salary of the speaker of the house of representatives and the lieutenant governor be set at an amount higher than that of other members. The commission shall set the per diem of members of the legislature and the lieutenant governor, and the per diem shall reflect reasonable estimates of costs and may be raised or lowered biennially as necessary to pay those costs, but the per diem may not exceed during a calendar year the amount allowed as of January 1 of that year for federal income tax purposes as a deduction for living expenses incurred in a legislative day by a state legislator in connection with the legislator's business as a legislator, disregarding any exception in federal law for legislators residing near the Capitol.

(f) At each general election for state and county officers following a proposed change in salary, the voters shall approve or disapprove the salary recommended by the commission if the commission recommends a change in salary. If the voters disapprove the salary, the salary continues at the amount paid immediately

before disapproval until another amount is recommended by the commission and approved by the voters. If the voters approve the salary, the approved salary takes effect January 1 of the next odd-numbered year.
(Added Nov. 5, 1991.)

Sec. 25. SENATORIAL DISTRICTS. The State shall be divided into Senatorial Districts of contiguous territory, and each district shall be entitled to elect one Senator.
(Feb. 15, 1876. Amended Nov. 6, 2001.) (TEMPORARY TRANSITION PROVISION for Sec. 25: See Appendix, Note 3.)

Sec. 26. APPORTIONMENT OF MEMBERS OF HOUSE OF REPRESENTATIVES. The members of the House of Representatives shall be apportioned among the several counties, according to the number of population in each, as nearly as may be, on a ratio obtained by dividing the population of the State, as ascertained by the most recent United States census, by the number of members of which the House is composed; provided, that whenever a single county has sufficient population to be entitled to a Representative, such county shall be formed into a separate Representative District, and when two or more counties are required to make up the ratio of representation, such counties shall be contiguous to each other; and when any one county has more than sufficient population to be entitled to one or more representatives, such representative or representatives shall be apportioned to such county, and for any surplus of population it may be joined in a Representative District with any other contiguous county or counties.
(Feb. 15, 1876.)

Sec. 26a. (Repealed Nov. 2, 1999.)
(TEMPORARY TRANSITION PROVISIONS for Sec. 26a: See Appendix, Note 1.)

Sec. 27. ELECTIONS FOR LEGISLATORS. Elections for Senators and Representatives shall be general througout† the State, and shall be regulated by law.

(Feb. 15, 1876.)

† The language of this provision is identical to the language of the official legislative measure that originally proposed the provision. A digital image of the original text of the official enrolled measure can be found here.

Sec. 28. TIME FOR APPORTIONMENT; APPORTIONMENT BY LEGISLATIVE REDISTRICTING BOARD. The Legislature shall, at its first regular session after the publication of each United States decennial census, apportion the state into senatorial and representative districts, agreeable to the provisions of Sections 25 and 26 of this Article. In the event the Legislature shall at any such first regular session following the publication of a United States decennial census, fail to make such apportionment, same shall be done by the Legislative Redistricting Board of Texas, which is hereby created, and shall be composed of five (5) members, as follows: The Lieutenant Governor, the Speaker of the House of Representatives, the Attorney General, the Comptroller of Public Accounts and the Commissioner of the General Land Office, a majority of whom shall constitute a quorum. Said Board shall assemble in the City of Austin within ninety (90) days after the final adjournment of such regular session. The Board shall, within sixty (60) days after assembling, apportion the state into senatorial and representative districts, or into senatorial or representative districts, as the failure of action of such Legislature may make necessary. Such apportionment shall be in writing and signed by three (3) or more of the members of the Board duly acknowledged as the act and deed of such Board, and, when so executed and filed with the Secretary of State, shall have force and effect of law. Such apportionment shall become effective at the next succeeding statewide general election. The Supreme Court of Texas shall have jurisdiction to compel such Board to perform its duties in accordance with the provisions of this section by writ of mandamus or other extraordinary writs conformable to the usages of law. The Legislature shall provide necessary funds for clerical and technical aid and for other expenses incidental to the work of the Board, and the Lieutenant Governor and the Speaker of the House

of Representatives shall be entitled to receive per diem and travel expense during the Board's session in the same manner and amount as they would receive while attending a special session of the Legislature.
(Feb. 15, 1876. Amended Nov. 2, 1948, and Nov. 6, 2001.) (TEMPORARY TRANSITION PROVISION for Sec. 28: See Appendix, Note 3.)

PROCEEDINGS

Sec. 29. ENACTING CLAUSE OF LAWS. The enacting clause of all laws shall be: "Be it enacted by the Legislature of the State of Texas."
(Feb. 15, 1876.)

Sec. 30. LAWS PASSED BY BILL; AMENDMENTS CHANGING PURPOSE PROHIBITED. No law shall be passed, except by bill, and no bill shall be so amended in its passage through either House, as to change its original purpose.
(Feb. 15, 1876.)

Sec. 31. ORIGINATION IN EITHER HOUSE; AMENDMENT. Bills may originate in either House, and, when passed by such House, may be amended, altered or rejected by the other.
(Feb. 15, 1876.)

Sec. 32. READING ON THREE SEVERAL DAYS. No bill shall have the force of a law, until it has been read on three several days in each House, and free discussion allowed thereon; but four-fifths of the House, in which the bill may be pending, may suspend this rule, the yeas and nays being taken on the question of suspension, and entered upon the journals.
(Feb. 15, 1876. Amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 32: See Appendix, Note 1.)

Sec. 33. ORIGINATION OF REVENUE BILLS IN HOUSE OF REPRESENTATIVES. All bills for raising revenue shall originate in the House of Representatives.

(Feb. 15, 1876. Amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 33: See Appendix, Note 1.)

Sec. 34. DEFEATED BILLS AND RESOLUTIONS. After a bill has been considered and defeated by either House of the Legislature, no bill containing the same substance, shall be passed into a law during the same session. After a resolution has been acted on and defeated, no resolution containing the same substance, shall be considered at the same session.
(Feb. 15, 1876.)

Sec. 35. SUBJECTS AND TITLES OF BILLS. (a) No bill, (except general appropriation bills, which may embrace the various subjects and accounts, for and on account of which moneys are appropriated) shall contain more than one subject.

(b) The rules of procedure of each house shall require that the subject of each bill be expressed in its title in a manner that gives the legislature and the public reasonable notice of that subject. The legislature is solely responsible for determining compliance with the rule.

(c) A law, including a law enacted before the effective date of this subsection, may not be held void on the basis of an insufficient title.
(Feb. 15, 1876. Subsec. (a) amended and (b) and (c) added Nov. 4, 1986.)

Sec. 36. REVIVAL OR AMENDMENT BY REFERENCE PROHIBITED; RE-ENACTMENT AND PUBLICATION AT LENGTH. No law shall be revived or amended by reference to its title; but in such case the act revived, or the section or sections amended, shall be re-enacted and published at length.
(Feb. 15, 1876.)

Sec. 37. REFERENCE TO COMMITTEE AND REPORT. No bill shall be considered, unless it has been first referred to a committee and reported thereon, and no bill shall be passed which has not been presented and referred to and reported from a Committee at least

three days before the final adjournment of the Legislature.
(Feb. 15, 1876.)

Sec. 38. SIGNING BILLS AND JOINT RESOLUTIONS; ENTRY ON JOURNALS. The presiding officer of each House shall, in the presence of the House over which he presides, sign all bills and joint resolutions passed by the Legislature, after their titles have been publicly read before signing; and the fact of signing shall be entered on the journals.
(Feb. 15, 1876.)

Sec. 39. TIME OF TAKING EFFECT OF LAWS. No law passed by the Legislature, except the general appropriation act, shall take effect or go into force until ninety days after the adjournment of the session at which it was enacted, unless the Legislature shall, by a vote of two-thirds of all the members elected to each House, otherwise direct; said vote to be taken by yeas and nays, and entered upon the journals.
(Feb. 15, 1876. Amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 39: See Appendix, Note 1.)

Sec. 40. SPECIAL SESSIONS; SUBJECTS OF LEGISLATION; DURATION. When the Legislature shall be convened in special session, there shall be no legislation upon subjects other than those designated in the proclamation of the Governor calling such session, or presented to them by the Governor; and no such session shall be of longer duration than thirty days.
(Feb. 15, 1876.)

Sec. 41. ELECTIONS BY SENATE AND HOUSE OF REPRESENTATIVES. In all elections by the Senate and House of Representatives, jointly or separately, the vote shall be given viva voce, except in the election of their officers.
(Feb. 15, 1876.)

REQUIREMENTS AND LIMITATIONS

Sec. 42. (Repealed Aug. 5, 1969.)

Sec. 43. REVISION OF LAWS. (a) The Legislature shall provide for revising, digesting and publishing the laws, civil and criminal; provided, that in the adoption of and giving effect to any such digest or revision, the Legislature shall not be limited by sections 35 and 36 of this Article.

(b) In this section, "revision" includes a revision of the statutes on a particular subject and any enactment having the purpose, declared in the enactment, of codifying without substantive change statutes that individually relate to different subjects.

(Feb. 15, 1876. Subsec. (a) amended and (b) added Nov. 4, 1986.)

Sec. 44. COMPENSATION OF PUBLIC OFFICIALS AND CONTRACTORS; EXTRA COMPENSATION; UNAUTHORIZED CLAIMS; UNAUTHORIZED EMPLOYMENT. The Legislature shall provide by law for the compensation of all officers, servants, agents and public contractors, not provided for in this Constitution, but shall not grant extra compensation to any officer, agent, servant, or public contractors, after such public service shall have been performed or contract entered into, for the performance of the same; nor grant, by appropriation or otherwise, any amount of money out of the Treasury of the State, to any individual, on a claim, real or pretended, when the same shall not have been provided for by pre-existing law; nor employ any one in the name of the State, unless authorized by pre-existing law.

(Feb. 15, 1876.)

Sec. 45. POWER OF COURTS TO CHANGE VENUE. The power to change the venue in civil and criminal cases shall be vested in the courts, to be exercised in such manner as shall be provided by law; and the Legislature shall pass laws for that purpose.

(Feb. 15, 1876.)

Sec. 46. UNIFORMITY IN COLLECTION OF FEES. (a) In this section, "fee" means a fee in a criminal or civil matter all or a

portion of which is required to be collected by local officers, clerks, or other local personnel and remitted to the comptroller of public accounts for deposit in the manner provided for in the law imposing the fee.

(b) This section applies only if the legislature enacts by law a program to consolidate and standardize the collection, deposit, reporting, and remitting of fees.

(c) A fee imposed by the legislature after the enactment of the program described by Subsection (b) of this section is valid only if the requirements relating to its collection, deposit, reporting, and remitting conform to the program.

(d) A fee to which this section applies may take effect on a date before the next January 1 after the regular session at which the bill adopting the fee was enacted only if the bill is passed by a record vote of two-thirds of all the members elected to each house of the legislature on final consideration in each house.

(Former Sec. 46 repealed Aug. 5, 1969; current Sec. 46 added Nov. 6, 2001.)

Sec. 47. PROHIBITION ON LOTTERIES AND GIFT ENTERPRISES; EXCEPTIONS FOR CHARITABLE BINGO, CHARITABLE RAFFLES, AND STATE LOTTERIES. (a) The Legislature shall pass laws prohibiting lotteries and gift enterprises in this State other than those authorized by Subsections (b), (d), (d-1), and (e) of this section.

(b) The Legislature by law may authorize and regulate bingo games conducted by a church, synagogue, religious society, volunteer fire department, nonprofit veterans organization, fraternal organization, or nonprofit organization supporting medical research or treatment programs. A law enacted under this subsection must permit the qualified voters of any county, justice precinct, or incorporated city or town to determine from time to time by a majority vote of the qualified voters voting on the question at an election whether bingo games may be held in the county, justice precinct, or city or town. The law must also require that:

(1) all proceeds from the games are spent in Texas for charitable purposes of the organizations;

(2) the games are limited to one location as defined by law on property owned or leased by the church, synagogue, religious society, volunteer fire department, nonprofit veterans organization, fraternal organization, or nonprofit organization supporting medical research or treatment programs; and

(3) the games are conducted, promoted, and administered by members of the church, synagogue, religious society, volunteer fire department, nonprofit veterans organization, fraternal organization, or nonprofit organization supporting medical research or treatment programs.

(c) The law enacted by the Legislature authorizing bingo games must include:

(1) a requirement that the entities conducting the games report quarterly to the Comptroller of Public Accounts about the amount of proceeds that the entities collect from the games and the purposes for which the proceeds are spent; and

(2) criminal or civil penalties to enforce the reporting requirement.

(d) The Legislature by general law may permit charitable raffles conducted by a qualified religious society, qualified volunteer fire department, qualified volunteer emergency medical service, or qualified nonprofit organizations under the terms and conditions imposed by general law.

The law must also require that:

(1) all proceeds from the sale of tickets for the raffle must be spent for the charitable purposes of the organizations; and

(2) the charitable raffle is conducted, promoted, and administered exclusively by members of the qualified religious society, qualified volunteer fire department, qualified volunteer emergency medical service, or qualified nonprofit organization.

(d-1) The legislature by general law may permit a professional sports team charitable foundation to conduct charitable raffles under the terms and conditions imposed by general law. The law may authorize the charitable foundation to pay with the raffle proceeds reasonable advertising, promotional, and administrative expenses. A law enacted under this subsection

applies only to an entity defined as a professional sports team charitable foundation under that law and may only allow charitable raffles to be conducted at games or rodeo events hosted at the home venue of the professional sports team associated with a professional sports team charitable foundation. In this subsection, "professional sports team" means:

(1) a team organized in this state that is a member of Major League Baseball, the National Basketball Association, the National Hockey League, the National Football League, Major League Soccer, the American Hockey League, the East Coast Hockey League, the American Association of Independent Professional Baseball, the Atlantic League of Professional Baseball, Minor League Baseball, the National Basketball Association Development League, the National Women's Soccer League, the Major Arena Soccer League, the United Soccer League, or the Women's National Basketball Association;

(2) a person hosting a motorsports racing team event sanctioned by the National Association for Stock Car Auto Racing (NASCAR), INDYCar, or another nationally recognized motorsports racing association at a venue in this state with a permanent seating capacity of not less than 75,000;

(3) an organization hosting a Professional Golf Association event;

(4) an organization sanctioned by the Professional Rodeo Cowboys Association or the Women's Professional Rodeo Association; or

(5) any other professional sports team defined by law.

(d-2) Subsection (a) of this section does not prohibit the legislature from authorizing credit unions and other financial institutions to conduct, under the terms and conditions imposed by general law, promotional activities to promote savings in which prizes are awarded to one or more of the credit union's or financial institution's depositors selected by lot.

(e) The Legislature by general law may authorize the State to operate lotteries and may authorize the State to enter into a contract with one or more legal entities that will operate lotteries on behalf of the State.

(Feb. 15, 1876. Subsec. (a) amended and (b) and (c) added Nov. 4, 1980; Subsec. (a) amended and (d) added Nov. 7, 1989; Subsec. (a) amended and (e) added Nov. 5, 1991; Subsec. (a) amended and (d-1) added Nov. 3, 2015; Subsec. (d-1) amended and (d-2) added Nov. 7, 2017; Subsec. (d-1) amended Nov. 2, 2021.)

Sec. 48. (Repealed Aug. 5, 1969.)

Sec. 48a. (Repealed April 22, 1975.)

Sec. 48b. (Repealed April 22, 1975.)

Sec. 48c. (Blank.)

Sec. 48-d. (Repealed Sept. 13, 2003.)

Sec. 48-e. EMERGENCY SERVICES DISTRICTS. Laws may be enacted to provide for the establishment and creation of special districts to provide emergency services and to authorize the commissioners courts of participating counties to levy a tax on the ad valorem property situated in said districts not to exceed Ten Cents (10¢) on the One Hundred Dollars ($100.00) valuation for the support thereof; provided that no tax shall be levied in support of said districts until approved by a vote of the qualified voters residing therein. Such a district may provide emergency medical services, emergency ambulance services, rural fire prevention and control services, or other emergency services authorized by the Legislature.

(Added Nov. 3, 1987; amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 48-e: See Appendix, Note 1.)

Sec. 48-f. JAIL DISTRICTS. The legislature, by law, may provide for the creation, operation, and financing of jail districts and may authorize each district to issue bonds and other obligations and to levy an ad valorem tax on property located in the district to pay principal of and interest on the bonds and to pay for operation of the district. An ad valorem tax may not be levied and bonds secured by a property tax may not be issued until approved by the qualified voters of the district voting at an election called and held for that purpose.

(Added Nov. 3, 1987; amended Nov. 4, 1997, and Nov. 2, 1999.)

(TEMPORARY TRANSITION PROVISIONS for Sec. 48-f: See Appendix, Note 1.)

Sec. 49. STATE DEBTS. (a) No debt shall be created by or on behalf of the State, except:

(1) to supply casual deficiencies of revenue, not to exceed in the aggregate at any one time two hundred thousand dollars;

(2) to repel invasion, suppress insurrection, or defend the State in war;

(3) as otherwise authorized by this constitution; or

(4) as authorized by Subsections (b) through (f) of this section.

(b) The legislature, by joint resolution approved by at least two-thirds of the members of each house, may from time to time call an election and submit to the eligible voters of this State one or more propositions that, if approved by a majority of those voting on the question, authorize the legislature to create State debt for the purposes and subject to the limitations stated in the applicable proposition. Each election and proposition must conform to the requirements of Subsections (c) and (d) of this section.

(c) The legislature may call an election during any regular session of the legislature or during any special session of the legislature in which the subject of the election is designated in the governor's proclamation for that special session. The election may be held on any date, and notice of the election shall be given

for the period and in the manner required for amending this constitution. The election shall be held in each county in the manner provided by law for other statewide elections.

(d) A proposition must clearly describe the amount and purpose for which debt is to be created and must describe the source of payment for the debt. Except as provided by law under Subsection (f) of this section, the amount of debt stated in the proposition may not be exceeded and may not be renewed after the debt has been created unless the right to exceed or renew is stated in the proposition.

(e) The legislature may enact all laws necessary or appropriate to implement the authority granted by a proposition that is approved as provided by Subsection (b) of this section. A law enacted in anticipation of the election is valid if, by its terms, it is subject to the approval of the related proposition.

(f) State debt that is created or issued as provided by Subsection (b) of this section may be refunded in the manner and amount and subject to the conditions provided by law.

(g) State debt that is created or issued as provided by Subsections (b) through (f) of this section and that is approved by the attorney general in accordance with applicable law is incontestable for any reason.

(Feb. 15, 1876. Subsec. (a) amended and (b)-(g) added Nov. 5, 1991.)

Sec. 49a. FINANCIAL STATEMENTS AND REVENUE ESTIMATE BY COMPTROLLER OF PUBLIC ACCOUNTS; LIMITATION OF APPROPRIATIONS AND CERTIFICATION OF BILLS CONTAINING APPROPRIATIONS. (a) It shall be the duty of the Comptroller of Public Accounts in advance of each Regular Session of the Legislature to prepare and submit to the Governor and to the Legislature upon its convening a statement under oath showing fully the financial condition of the State Treasury at the close of the last fiscal period and an estimate of the probable receipts and disbursements for the then current fiscal year. There shall also be contained in said statement an itemized estimate of the anticipated revenue based on the laws then in effect that will be received by and for the State from all sources showing

the fund accounts to be credited during the succeeding biennium and said statement shall contain such other information as may be required by law. Supplemental statements shall be submitted at any Special Session of the Legislature and at such other times as may be necessary to show probable changes.

(b) Except in the case of emergency and imperative public necessity and with a four-fifths vote of the total membership of each House, no appropriation in excess of the cash and anticipated revenue of the funds from which such appropriation is to be made shall be valid. No bill containing an appropriation shall be considered as passed or be sent to the Governor for consideration until and unless the Comptroller of Public Accounts endorses his certificate thereon showing that the amount appropriated is within the amount estimated to be available in the affected funds. When the Comptroller finds an appropriation bill exceeds the estimated revenue he shall endorse such finding thereon and return to the House in which same originated. Such information shall be immediately made known to both the House of Representatives and the Senate and the necessary steps shall be taken to bring such appropriation to within the revenue, either by providing additional revenue or reducing the appropriation.

(Added Nov. 3, 1942; amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 49a: See Appendix, Note 1.)

Sec. 49-b. VETERANS' LAND BOARD; BOND ISSUES; VETERANS' LAND AND HOUSING FUNDS. (a) The Veterans' Land Board shall be composed of the Commissioner of the General Land Office and two (2) citizens of the State of Texas, one (1) of whom shall be well versed in veterans' affairs and one (1) of whom shall be well versed in finances. One (1) such citizen member shall, with the advice and consent of the Senate, be appointed biennially by the Governor to serve for a term of four (4) years. In the event of the resignation or death of any such citizen member, the Governor shall appoint a replacement to serve for the unexpired portion of the term to which the deceased or resigning member had been appointed. The compensation for said citizen members shall be as is now or may hereafter be fixed by the Legislature; and each shall make bond in

such amount as is now or may hereafter be prescribed by the Legislature.

(b) The Commissioner of the General Land Office shall act as Chairman of said Board and shall be the administrator of the Veterans' Land Program under such terms and restrictions as are now or may hereafter be provided by law. In the absence or illness of said Commissioner, the Chief Clerk of the General Land Office shall be the Acting Chairman of said Board with the same duties and powers that said Commissioner would have if present.

(c) The Veterans' Land Board may provide for, issue and sell bonds or obligations of the State of Texas as authorized by constitutional amendment or by a debt proposition under Section 49 of this article for the purpose of creating the Veterans' Land Fund, the Veterans' Housing Assistance Fund, and the Veterans' Housing Assistance Fund II.

(d) Said Veterans' Land Fund, to the extent of the moneys attributable to any bonds hereafter issued and sold by said Board may be used by said Board, as is now or may hereafter be provided by law, for the purpose of paying the expenses of surveying, monumenting, road construction, legal fees, recordation fees, advertising and other like costs necessary or incidental to the purchase and sale, or resale, of any lands purchased with any of the moneys attributable to such additional bonds, such expenses to be added to the price of such lands when sold, or resold, by said Board; for the purpose of paying the expenses of issuing, selling, and delivering any such additional bonds; and for the purpose of meeting the expenses of paying the interest or principal due or to become due on any such additional bonds.

(e) For purposes of this section, "veteran" means a person who satisfies the definition of "veteran" as set forth by the laws of the State of Texas.

(f) The Veterans' Housing Assistance Fund shall be administered by the Veterans' Land Board and shall be used for the purpose of making home mortgage loans to veterans for housing within the State of Texas in such quantities, on such terms, at such rates of interest, and under such rules and regulations as may be authorized by law. The expenses of the board in connection with the

issuance of the bonds for the benefit of the Veterans' Housing Assistance Fund and the making of the loans may be paid from money in the fund. The principal of and interest on the general obligation bonds authorized by this section for the benefit of the Veterans' Housing Assistance Fund shall be paid out of the money of the fund, but the money of the fund which is not immediately committed to the payment of principal and interest on such bonds, the making of home mortgage loans as herein provided, or the payment of expenses as herein provided may be invested as authorized by law until the money is needed for such purposes.

(g) The Veterans' Land Fund shall be used by the Veterans' Land Board to purchase lands situated in the state owned by the United States government, an agency of the United States government, this state, a political subdivision or agency of this state, or a person, firm, or corporation.

(h) Lands purchased and comprising a part of the Veterans' Land Fund are declared to be held for a governmental purpose, but the individual purchasers of those lands shall be subject to taxation to the same extent and in the same manner as are purchasers of lands dedicated to the Permanent School Fund. The lands shall be sold to veterans in quantities, on terms, at prices, and at fixed, variable, floating, or other rates of interest, determined by the Board and in accordance with rules of the Board. Notwithstanding any provisions of this section to the contrary, lands in the Veterans' Land Fund that are offered for sale to veterans and that are not sold may be sold or resold to the purchasers in quantities, on terms, at prices, and at rates of interest determined by the Board and in accordance with rules of the Board.

(i) The expenses of the Board in connection with the issuance of the bonds for the benefit of the Veterans' Land Fund and the purchase and sale of the lands may be paid from money in the Veterans' Land Fund.

(j) The Veterans' Land Fund shall consist of:

(1) lands heretofore or hereafter purchased by the Board;

(2) money attributable to bonds heretofore or hereafter issued and sold by the Board for the fund, including

proceeds from the issuance and sale of the bonds;

(3) money received from the sale or resale of lands or rights in lands purchased from those proceeds;

(4) money received from the sale or resale of lands or rights in lands purchased with other money attributable to the bonds;

(5) proceeds derived from the sale or other disposition of the Board's interest in contracts for the sale or resale of lands or rights in lands;

(6) interest and penalties received from the sale or resale of lands or rights in lands;

(7) bonuses, income, rents, royalties, and other pecuniary benefits received by the Board from lands;

(8) money received by way of indemnity or forfeiture for the failure of a bidder for the purchase of bonds to comply with the bid and accept and pay for the bonds or for the failure of a bidder for the purchase of lands comprising a part of the Veterans' Land Fund to comply with the bid and accept and pay for the lands;

(9) payments received by the Board under a bond enhancement agreement with respect to the bonds; and

(10) interest received from investments of money in the fund.

(k) The principal of and interest on the general obligation bonds for the benefit of the Veterans' Land Fund, including payments by the Board under a bond enhancement agreement with respect to principal of or interest on the bonds, shall be paid out of the money of the Veterans' Land Fund, but the money in the fund that is not immediately committed to the payment of principal and interest on the bonds, the purchase of lands, or the payment of expenses may be invested as authorized by law until the money is needed for those purposes.

(l) The Veterans' Housing Assistance Fund II is a separate and distinct fund from the Veterans' Housing Assistance Fund. Money in the Veterans' Housing Assistance Fund II shall be administered by the Veterans' Land Board and shall be used to make home mortgage loans to veterans for housing within this state in quantities, on terms, and at fixed, variable, floating, or other

rates of interest, determined by the Board and in accordance with rules of the Board. The expenses of the Board in connection with the issuance of the bonds for the benefit of the Veterans' Housing Assistance Fund II and the making of the loans may be paid from money in the Veterans' Housing Assistance Fund II.

(m) The Veterans' Housing Assistance Fund II shall consist of:

(1) the Board's interest in home mortgage loans the Board makes to veterans from money in the fund under the Veterans' Housing Assistance Program established by law;

(2) proceeds derived from the sale or other disposition of the Board's interest in home mortgage loans;

(3) money attributable to bonds issued and sold by the Board to provide money for the fund, including the proceeds from the issuance and sale of bonds;

(4) income, rents, and other pecuniary benefits received by the Board as a result of making loans;

(5) money received by way of indemnity or forfeiture for the failure of a bidder for the purchase of bonds to comply with the bid and accept and pay for the bonds;

(6) payments received by the Board under a bond enhancement agreement with respect to the bonds; and

(7) interest received from investments of money.

(n) The principal of and interest on the general obligation bonds for the benefit of the Veterans' Housing Assistance Fund II, including payments by the Board under a bond enhancement agreement with respect to principal of or interest on the bonds, shall be paid out of the money of the Veterans' Housing Assistance Fund II, but the money in the fund that is not immediately committed to the payment of principal and interest on the bonds, the making of home mortgage loans, or the payment of expenses may be invested as authorized by law until the money is needed for those purposes.

(o) The Veterans' Housing Assistance Fund shall consist of:

(1) the Board's interest in home mortgage loans the Board makes to veterans from money in the fund under the Veterans' Housing Assistance Program established by law;

(2) proceeds derived from the sale or other

disposition of the Board's interest in home mortgage loans;

(3) money attributable to bonds issued and sold by the Board to provide money for the fund, including proceeds from the issuance and sale of bonds;

(4) income, rents, and other pecuniary benefits received by the Board as a result of making loans;

(5) money received by way of indemnity or forfeiture for the failure of a bidder for the purchase of bonds to comply with the bid and accept and pay for the bonds;

(6) payments received by the Board under a bond enhancement agreement with respect to the bonds; and

(7) interest received from investments of money.

(p) The principal of and interest on the general obligation bonds for the benefit of the Veterans' Housing Assistance Fund, including payments by the Board under a bond enhancement agreement with respect to principal of or interest on the bonds, shall be paid out of money in the Veterans' Housing Assistance Fund.

(q) If there is not enough money in the Veterans' Land Fund, the Veterans' Housing Assistance Fund, or the Veterans' Housing Assistance Fund II, as the case may be, available to pay the principal of and interest on the general obligation bonds benefiting those funds, including money to make payments by the Board under a bond enhancement agreement with respect to principal of or interest on the bonds, there is appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, an amount that is sufficient to pay the principal of and interest on the general obligation bonds that mature or become due during that fiscal year or to make bond enhancement payments with respect to those bonds.

(r) Receipts of all kinds of the Veterans' Land Fund, the Veterans' Housing Assistance Fund, or the Veterans' Housing Assistance Fund II that the Board determines are not required for the payment of principal of and interest on the general obligation bonds benefiting those funds, including payments by the Board under a bond enhancement agreement with respect to principal of or interest on the bonds, may be used by the Board, to the extent not inconsistent with the proceedings authorizing the bonds to:

(1) make temporary transfers to another of those funds to avoid a temporary cash deficiency in that fund or make a transfer to another of those funds for the purposes of that fund;

(2) pay the principal of and interest on general obligation bonds issued to provide money for another of those funds or make bond enhancement payments with respect to the bonds; or

(3) pay the principal of and interest on revenue bonds of the Board or make bond enhancement payments with respect to the bonds.

(s) If the Board determines that assets from the Veterans' Land Fund, the Veterans' Housing Assistance Fund, or the Veterans' Housing Assistance Fund II are not required for the purposes of the fund, the Board may:

(1) transfer the assets to another of those funds;

(2) use the assets to secure revenue bonds issued by the Board;

(3) use the assets to plan and design, operate, maintain, enlarge, or improve veterans cemeteries; or

(4) use the assets to plan and design, construct, acquire, own, operate, maintain, enlarge, improve, furnish, or equip veterans homes.

(t) The revenue bonds shall be special obligations of the Board and payable only from and secured only by receipts of the funds, assets transferred from the funds, and other revenues and assets as determined by the Board and shall not constitute indebtedness of the state or the Veterans' Land Board. The Board may issue revenue bonds from time to time, which bonds may not exceed an aggregate principal amount that the Board determines can be fully retired from the receipts of the funds, the assets transferred from the funds, and the other revenues and assets pledged to the retirement of the revenue bonds. Notwithstanding the rate of interest specified by any other provision of this constitution, revenue bonds shall bear a rate or rates of interest the Board determines. A determination made by the Board under this subsection shall be binding and conclusive as to the matter determined.

(u) The bonds authorized to be issued and sold by the

Veterans' Land Board shall be issued and sold in forms and denominations, on terms, at times, in the manner, at places, and in installments the Board determines. The bonds shall bear a rate or rates of interest the Board determines. The bonds shall be incontestable after execution by the Board, approval by the Attorney General of Texas, and delivery to the purchaser or purchasers of the bonds.

(v) This Amendment being intended only to establish a basic framework and not to be a comprehensive treatment of the Veterans' Housing Assistance Program and the Veterans' Land Program, there is hereby reposed in the Legislature full power to implement and effectuate the design and objects of this Amendment, including the power to delegate such duties, responsibilities, functions, and authority to the Veterans' Land Board as it believes necessary.

(w) The Veterans' Land Board may provide for, issue, and sell general obligation bonds of the state for the purpose of selling land to veterans of the state or providing home or land mortgage loans to veterans of the state in a principal amount of outstanding bonds that must at all times be equal to or less than the aggregate principal amount of state general obligation bonds previously authorized for those purposes by prior constitutional amendments. Bonds and other obligations issued or executed under the authority of this subsection may not be included in the computation required by Section 49-j of this article. The bond proceeds shall be deposited in or used to benefit and augment the Veterans' Land Fund, the Veterans' Housing Assistance Fund, or the Veterans' Housing Assistance Fund II, as determined appropriate by the Veterans' Land Board, and shall be administered and invested as provided by law. Payments of principal and interest on the bonds, including payments made under a bond enhancement agreement with respect to principal of or interest on the bonds, shall be made from the sources and in the manner provided by this section for general obligation bonds issued for the benefit of the applicable fund.
(Added Nov. 7, 1946, amended Nov. 13, 1951, Nov. 6, 1956, Nov. 8, 1960, Nov. 6, 1962, Nov. 11, 1967, Nov. 6, 1973, Nov. 8, 1977, Nov. 3, 1981, Nov. 5, 1985, and Nov. 5, 1991; Secs. 49-b, 49-b-1, 49-b-2, and 49-b-3 combined, reenacted as Sec. 49-b and amended Nov. 2,

1999; Subsec. (s) amended and (w) added Nov. 6, 2001; Subsecs. (r) and (s) amended Sept. 13, 2003; Subsec. (w) amended Nov. 3, 2009; Subsec. (h) amended Nov. 8, 2011.) (TEMPORARY TRANSITION PROVISIONS for Sec. 49-b: See Appendix, Note 1.)

Sec. 49-c. TEXAS WATER DEVELOPMENT BOARD; BOND ISSUE; TEXAS WATER DEVELOPMENT FUND. (a) The Texas Water Development Board, an agency of the State of Texas, shall exercise such powers as necessary under this provision together with such other duties and restrictions as may be prescribed by law. The qualifications, compensation, and number of members of said Board shall be determined by law. They shall be appointed by the Governor with the advice and consent of the Senate in the manner and for such terms as may be prescribed by law.

(b) The Texas Water Development Board shall have the authority to provide for, issue and sell general obligation bonds of the State of Texas as authorized by constitutional amendment or by a debt proposition under Section 49 of this article. The bonds shall be called "Texas Water Development Bonds," shall be executed in such form, denominations and upon such terms as may be prescribed by law, and may be issued in such installments as the Board finds feasible and practical in accomplishing the purpose set forth herein.

(c) All moneys received from the sale of the bonds shall be deposited in a fund hereby created in the State Treasury to be known as the Texas Water Development Fund to be administered (without further appropriation) by the Texas Water Development Board in such manner as prescribed by law.

(d) Such fund shall be used only for the purpose of aiding or making funds available upon such terms and conditions as the Legislature may prescribe, to the various political subdivisions or bodies politic and corporate of the State of Texas including river authorities, conservation and reclamation districts and districts created or organized or authorized to be created or organized under Article XVI, Section 59 or Article III, Section 52, of this Constitution, interstate compact commissions to which the State of Texas is a party and municipal corporations, in the conservation

and development of the water resources of this State, including the control, storing and preservation of its storm and flood waters and the waters of its rivers and streams, for all useful and lawful purposes by the acquisition, improvement, extension, or construction of dams, reservoirs and other water storage projects, including any system necessary for the transportation of water from storage to points of treatment and/or distribution, including facilities for transporting water therefrom to wholesale purchasers, or for any one or more of such purposes or methods.

(e) Any or all financial assistance as provided herein shall be repaid with interest upon such terms, conditions and manner of repayment as may be provided by law.

(f) While any of the Texas Water Development Bonds, or any interest on any of such bonds, is outstanding and unpaid, there is hereby appropriated out of the first moneys coming into the Treasury in each fiscal year, not otherwise appropriated by this Constitution, an amount which is sufficient to pay the principal and interest on such bonds that mature or become due during such fiscal year, less the amount in the sinking fund at the close of the prior fiscal year.

(g) The Legislature may provide for the investment of moneys available in the Texas Water Development Fund, and the interest and sinking funds established for the payment of bonds issued by the Texas Water Development Board. Income from such investment shall be used for the purposes prescribed by the Legislature. The Legislature may also make appropriations from the General Revenue Fund for paying administrative expenses of the Board.

(h) From the moneys received by the Texas Water Development Board as repayment of principal for financial assistance or as interest thereon, there shall be deposited in the interest and sinking fund for the bonds sufficient moneys to pay the interest and principal to become due during the ensuing year and sufficient to establish and maintain a reserve in said fund equal to the average annual principal and interest requirements on all outstanding bonds. If any year moneys are received in excess of the foregoing requirements then such excess shall be deposited to the Texas Water Development Fund, and may be used for administrative expenses of

the Board and for the same purposes and upon the same terms and conditions prescribed for the proceeds derived from the sale of such State bonds.

(i) All Texas Water Development Bonds shall after approval by the Attorney General, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas.

(Added Nov. 5, 1957; amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 49-c: See Appendix, Note 1.)

Sec. 49-d. DEVELOPMENT OF RESERVOIRS AND WATER FACILITIES; SALE, TRANSFER, OR LEASE OF FACILITIES OR PUBLIC WATERS. (a) It is hereby declared to be the policy of the State of Texas to encourage the optimum development of the limited number of feasible sites available for the construction or enlargement of dams and reservoirs for conservation of the public waters of the state, which waters are held in trust for the use and benefit of the public, and to encourage the optimum regional development of systems built for the filtration, treatment, and transmission of water and wastewater. The proceeds from the sale of bonds deposited in the Texas Water Development Fund may be used by the Texas Water Development Board, under such provisions as the Legislature may prescribe by General Law, including the requirement of a permit for storage or beneficial use, for the additional purposes of acquiring and developing storage facilities, and any system or works necessary for the filtration, treatment and transportation of water or wastewater, or for any one or more of such purposes or methods, whether or not such a system or works is connected with a reservoir in which the state has a financial interest; provided, however, the Texas Water Development Fund or any other state fund provided for water development, transmission, transfer or filtration shall not be used to finance any project which contemplates or results in the removal from the basin of origin of any surface water necessary to supply the reasonably foreseeable future water requirements for the next ensuing fifty-year period within the river basin of origin, except on a temporary, interim basis.

(b) Under such provisions as the Legislature may prescribe by General Law the Texas Water Development Fund may be used for the conservation and development of water for useful purposes by construction or reconstruction or enlargement of reservoirs constructed or to be constructed or enlarged within the State of Texas or on any stream constituting a boundary of the State of Texas, together with any system or works necessary for the filtration, treatment and/or transportation of water, by any one or more of the following governmental agencies: by the United States of America or any agency, department or instrumentality thereof; by the State of Texas or any agency, department or instrumentality thereof; by political subdivisions or bodies politic and corporate of the state; by interstate compact commissions to which the State of Texas is a party; and by municipal corporations. The Legislature shall provide terms and conditions under which the Texas Water Development Board may sell, transfer or lease, in whole or in part, any reservoir and associated system or works which the Texas Water Development Board has financed in whole or in part.

(c) Under such provisions as the Legislature may prescribe by General Law, the Texas Water Development Board may also execute long-term contracts with the United States or any of its agencies for the acquisition and development of storage facilities in reservoirs constructed or to be constructed by the Federal Government. Such contracts when executed shall constitute general obligations of the State of Texas in the same manner and with the same effect as state bonds issued under the authority of Section 49-c of this article, and the provisions of Section 49-c of this article with respect to payment of principal and interest on state bonds issued shall likewise apply with respect to payment of principal and interest required to be paid by such contracts. If storage facilities are required† for a term of years, such contracts shall contain provisions for renewal that will protect the state's investment.

(d) The Legislature shall provide terms and conditions for the Texas Water Development Board to sell, transfer or lease, in whole or in part, any acquired facilities or the right to use such facilities at a price not less than the direct cost of the Board in

acquiring same; and the Legislature may provide terms and conditions for the Board to sell any unappropriated public waters of the state that might be stored in such facilities. As a prerequisite to the purchase of such storage or water, the applicant therefor shall have secured a valid permit from the state authorizing the acquisition of such storage facilities or the water impounded therein. The money received from any sale, transfer or lease of facilities shall be used to pay principal and interest on state bonds issued or contractual obligations incurred by the Texas Water Development Board, provided that when moneys are sufficient to pay the full amount of indebtedness then outstanding and the full amount of interest to accrue thereon, any further sums received from the sale, transfer or lease of such facilities shall be deposited and used as provided by law. Money received from the sale of water, which shall include standby service, may be used for the operation and maintenance of acquired facilities, and for the payment of principal and interest on debt incurred.

(Added Nov. 6, 1962; amended Nov. 8, 1966, Nov. 5, 1985, and Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 49-d: See Appendix, Note 1.)

† The language of this provision is identical to the language of the official legislative measure that originally proposed the provision. A digital image of the original text of the official enrolled measure can be found here.

Sec. 49-d-1. ADDITIONAL TEXAS WATER DEVELOPMENT BONDS. (a) The Texas Water Development Board may issue Texas Water Development Bonds as authorized by constitutional amendment or by a debt proposition under Section 49 of this article to provide grants, loans, or any combination of grants and loans for water quality enhancement purposes as established by the Legislature to political subdivisions or bodies politic and corporate of the State of Texas, including municipal corporations, river authorities, conservation and reclamation districts, and districts created or organized or authorized to be created or organized under Article XVI, Section 59, or Article III, Section 52, of this Constitution, State agencies, and interstate agencies and compact commissions to

which the State of Texas is a party, and upon such terms and conditions as the Legislature may authorize by general law. The bonds shall be issued for such terms, in such denominations, form and installments, and upon such conditions as the Legislature may authorize.

(b) The Texas Water Development Fund shall be used for the purposes heretofore permitted by, and subject to the limitations in this Section and Sections 49-c and 49-d; provided, however, that the financial assistance may be made subject only to the availability of funds.

(Added May 18, 1971; amended Nov. 2, 1976; Subsec. (a) amended, Subsecs. (b) and (c) deleted, Subsec. (d) amended and redesignated Subsec. (b), and Subsecs. (e) and (f) deleted Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 49-d-1: See Appendix, Note 1.)

Sec. 49-d-2. ADDITIONAL BONDING AUTHORITY OF TEXAS WATER DEVELOPMENT BOARD FOR FLOOD CONTROL. The Texas Water Development Board may issue Texas Water Development Bonds for flood control projects and for any acquisition or construction necessary to achieve structural and nonstructural flood control purposes.

(Added Nov. 5, 1985; Subsec. (a) amended and Subsecs. (b)-(e) deleted Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 49-d-2: See Appendix, Note 1.)

Sec. 49-d-3. CREATION AND USE OF SPECIAL FUNDS FOR WATER PROJECTS. (a) The legislature by law may create one or more special funds in the state treasury for use for or in aid of water conservation, water development, water quality enhancement, flood control, drainage, subsidence control, recharge, chloride control, agricultural soil and water conservation, desalinization or any combination of those purposes, may make money in a special fund available to cities, counties, special governmental districts and authorities, and other political subdivisions of the state for use for the purposes for which the fund was created by grants, loans, or any other means, and may appropriate money to any of the special funds to carry out the purposes of this section.

(b) Money deposited in a special fund created under this section may not be used to finance or aid any project that contemplates or results in the removal from the basin of origin of any surface water necessary to supply the reasonably foreseeable water requirements for the next ensuing 50-year period within the river basin of origin, except on a temporary, interim basis.
(Added Nov. 5, 1985.)

Sec. 49-d-4. BOND INSURANCE PROGRAM FOR WATER PROJECTS. (a) In addition to other programs authorized by this constitution, the legislature by law may provide for the creation, administration, and implementation of a bond insurance program to which the state pledges its general credit in an amount not to exceed $250 million to insure the payment in whole or in part of the principal of and interest on bonds or other obligations that are issued by cities, counties, special governmental districts and authorities, and other political subdivisions of the state as defined by law for use for or in aid of water conservation, water development, water quality enhancement, flood control, drainage, recharge, chloride control, desalinization, or any combination of those purposes.

(b) The legislature by law shall designate the state agency to administer the bond insurance program and may authorize that agency to execute insurance contracts that bind the state to pay the principal of and interest on the bonds if the bonds are in default or the bonds are subject to impending default, subject to the limits provided by this section and by law.

(c) The payment by the state of any insurance commitment made under this section must be made from the first money coming into the state treasury that is not otherwise dedicated by this constitution.

(d) Notwithstanding the total amount of bonds insured under this section, the total amount paid and not recovered by the state under this section, excluding the costs of administration, may not exceed $250 million.

(e) Except on a two-thirds vote of the members elected to each house of the legislature, the ratio of bonds insured to the

total liability of the state must be two to one.

(f) Except on a two-thirds vote of the members elected to each house of the legislature, the state agency administering the bond insurance program may not authorize bond insurance coverage under the program in any state fiscal year that exceeds a total of $100 million.

(g) Unless authorized to continue by a two-thirds vote of the members elected to each house, this section and the bond insurance program authorized by this section expire on the sixth anniversary of the date on which this section becomes a part of the constitution. However, bond insurance issued before the expiration of this section and the program is not affected by the expiration of this section and the program and remains in effect according to its terms, and the state is required to fulfill all of the terms of that previously issued insurance.

(Added Nov. 5, 1985.)

Sec. 49-d-5. EXTENSION OF BENEFITS TO NONPROFIT WATER SUPPLY CORPORATIONS. For the purpose of any program established or authorized by this article and administered by the Texas Water Development Board, the legislature by law may extend any benefits to nonprofit water supply corporations that it may extend to a district created or organized under Article XVI, Section 59, of this constitution.

(Added Nov. 5, 1985; amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 49-d-5: See Appendix, Note 1.)

Sec. 49-d-6. REVIEW AND APPROVAL OF TEXAS WATER DEVELOPMENT BONDS. The legislature may require review and approval of the issuance of Texas Water Development Bonds, of the use of the bond proceeds, or of the rules adopted by an agency to govern use of the bond proceeds. Notwithstanding any other provision of this constitution, any entity created or directed to conduct this review and approval may include members or appointees of members of the executive, legislative, and judicial departments of state government.

(Added Nov. 3, 1987; Subsecs. (a), (c), and (d) deleted and Subsec.

(b) amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 49-d-6: See Appendix, Note 1.)

Sec. 49-d-7. USE OF PROCEEDS OF TEXAS WATER DEVELOPMENT BONDS. (a) The Texas Water Development Board may use the proceeds of Texas water development bonds issued for the purposes provided by Section 49-c of this article for the additional purpose of providing financial assistance, on terms and conditions provided by law, to various political subdivisions and bodies politic and corporate of the state and to nonprofit water supply corporations to provide for acquisition, improvement, extension, or construction of water supply projects that involve the distribution of water to points of delivery to wholesale or retail customers.

(b) The legislature may provide by law for subsidized loans and grants from the proceeds of Texas water development bonds to provide wholesale and retail water and wastewater facilities to economically distressed areas of the state as defined by law, provided, the principal amount of bonds that may be issued for the purposes under this subsection may not exceed $250 million. Separate accounts shall be established in the water development fund for administering the proceedings† of bonds issued for purposes under this subsection, and an interest and sinking fund separate from and not subject to the limitations of the interest and sinking fund created for other Texas water development bonds is established in the State Treasury to be used for paying the principal of and interest on bonds for the purposes of the† subsection. While any of the bonds authorized for the purposes of this subsection or any of the interest on those bonds is outstanding and unpaid, there is appropriated out of the first money coming into the State Treasury in each fiscal year, not otherwise appropriated by this constitution, an amount that is sufficient to pay the principal of and interest on those bonds issued for the purposes under this subsection that mature or become due during that fiscal year.

(Added Nov. 7, 1989; Subsec. (e) amended Nov. 5, 1991; Subsec. (a) deleted, Subsec. (b) redesignated Subsec. (a), Subsecs. (c) and (d) deleted, Subsec. (e) amended and redesignated Subsec. (b), and

Subsec. (f) deleted Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 49-d-7: See Appendix, Note 1.)

† The language of this provision is identical to the language of the official legislative measure that originally proposed the provision. A digital image of the original text of the official enrolled measure can be found here.

Sec. 49-d-8. TEXAS WATER DEVELOPMENT FUND II; ADDITIONAL BONDS; SALE, TRANSFER, OR LEASE OF FACILITIES OR PUBLIC WATERS. (a) The Texas Water Development Fund II is in the state treasury as a fund separate and distinct from the Texas Water Development Fund established under Section 49-c of this article. Money in the Texas Water Development Fund II shall be administered without further appropriation by the Texas Water Development Board and shall be used for any one or more of the purposes currently or formerly authorized by Sections 49-c, 49-d, 49-d-1, 49-d-2, 49-d-5, 49-d-6, and 49-d-7 of this article, as determined by the Texas Water Development Board. Separate accounts shall be established in the Texas Water Development Fund II for administering proceedings related to the purposes described in Section 49-d of this article, the purposes described in Subsection (b) of Section 49-d-7 of this article, and all other authorized purposes. The Texas Water Development Board is hereby authorized, at its determination, to issue general obligation bonds for one or more accounts of the Texas Water Development Fund II in an aggregate principal amount equal to the amount of bonds previously authorized pursuant to former Section 49-d-6 and Sections 49-d-2 and 49-d-7 of this article less the amount of bonds issued pursuant to those sections to augment the Texas Water Development Fund and the amount of bonds issued to augment the Texas Water Development Fund II. Nothing in this section, however, shall grant to the Texas Water Development Board the authority to issue bonds in excess of the total amount of those previously authorized bonds or to issue bonds for purposes described in Subsection (b) of Section 49-d-7 of this article in excess of $250 million. The expenses of the Texas Water Development Board in connection with the issuance of bonds for an account of the Texas Water Development Fund II and administration of such account

may be paid from money in such account.

(b) The Texas Water Development Board is hereby authorized, at its determination, to issue general obligation bonds for one or more accounts of the Texas Water Development Fund II in order to refund outstanding bonds previously issued to augment the Texas Water Development Fund, as long as the principal amount of the refunding bonds does not exceed the outstanding principal amount of the refunded bonds, and to refund the general obligation of the State of Texas under long-term contracts entered into by the Texas Water Development Board with the United States or any of its agencies under authority granted by Section 49-d of this article, as long as the principal amount of the refunding bonds does not exceed the principal amount of the contractual obligation of the Texas Water Development Board. Money and assets in the Texas Water Development Fund attributable to such refunding bonds shall be transferred to the appropriate account of the Texas Water Development Fund II, as determined by the Texas Water Development Board, to the extent not inconsistent with the proceedings authorizing any outstanding bonds issued to augment the Texas Water Development Fund and the terms of any long-term contracts entered into by the Texas Water Development Board with the United States or any of its agencies. In addition, the Texas Water Development Board may transfer other moneys and assets in the Texas Water Development Fund to the appropriate account of the Texas Water Development Fund II, as determined by the Texas Water Development Board, without the necessity of issuing refunding bonds to effect the transfer, to the extent not inconsistent with the proceedings authorizing any outstanding bonds issued to augment the Texas Water Development Fund. Further, at such time as all bonds issued to augment the Texas Water Development Fund and all such contractual obligations have been paid or otherwise discharged, all money and assets in the Texas Water Development Fund shall be transferred to the credit of the Texas Water Development Fund II and deposited to the accounts therein, as determined by the Texas Water Development Board.

(c) Subject to the limitations set forth in Section 49-d of this article, the legislature shall provide terms and conditions under which the Texas Water Development Board may sell, transfer,

or lease, in whole or in part, facilities held for the account established within the Texas Water Development Fund II for administering proceedings related to the purposes described in Section 49-d of this article, and the legislature may provide terms and conditions under which the Texas Water Development Board may sell any unappropriated public waters of the state that may be stored in such facilities. Money received from any sale, transfer, or lease of such facilities or water shall be credited to the account established within the Texas Water Development Fund II for the purpose of administering proceedings related to the purposes described in Section 49-d of this article.

(d) Each account of the Texas Water Development Fund II shall consist of:

(1) the Texas Water Development Board's rights to receive repayment of financial assistance provided from such account, together with any evidence of such rights;

(2) money received from the sale or other disposition of the Texas Water Development Board's rights to receive repayment of such financial assistance;

(3) money received as repayment of such financial assistance;

(4) money and assets attributable to bonds issued and sold by the Texas Water Development Board for such account, including money and assets transferred from the Texas Water Development Fund pursuant to this section;

(5) money deposited in such account pursuant to Subsection (c) of this section;

(6) payments received by the Texas Water Development Board under a bond enhancement agreement as authorized by law with respect to bonds issued for such account; and

(7) interest and other income received from investment of money in such account.

(e) Notwithstanding the other provisions of this article, the principal of and interest on the general obligation bonds issued for an account of the Texas Water Development Fund II, including payments by the Texas Water Development Board under a bond enhancement agreement as authorized by law with respect to

principal of or interest on such bonds, shall be paid out of such account, but the money in such account that is not immediately committed to the purposes of such account or the payment of expenses may be invested as authorized by law until the money is needed for those purposes. If there is not enough money in any account available to pay the principal of and interest on the general obligation bonds issued for such account, including money to make payments by the Texas Water Development Board under a bond enhancement agreement as authorized by law with respect to principal of or interest on such bonds, there is appropriated out of the first money coming into the state treasury in each fiscal year not otherwise appropriated by this constitution an amount that is sufficient to pay the principal of and interest on such general obligation bonds that mature or become due during that fiscal year or to make bond enhancement payments with respect to those bonds.

(f) The general obligation bonds authorized by this section may be issued as bonds, notes, or other obligations as permitted by law and shall be sold in forms and denominations, on terms, at times, in the manner, at places, and in installments, all as determined by the Texas Water Development Board. The bonds shall bear a rate or rates of interest the Texas Water Development Board determines. The bonds authorized by this section shall be incontestable after execution by the Texas Water Development Board, approval by the attorney general, and delivery to the purchaser or purchasers of the bonds.

(g) This section being intended only to establish a basic framework and not to be a comprehensive treatment of the Texas Water Development Fund II, there is hereby reposed in the legislature full power to implement and effectuate the design and objects of this section, including the power to delegate such duties, responsibilities, functions, and authority to the Texas Water Development Board as it believes necessary.

(h) The Texas Water Development Fund II, including any account in that fund, may not be used to finance or aid any project that contemplates or results in the removal from the basin of origin of any surface water necessary to supply the reasonably foreseeable future water requirements for the next ensuing 50-year period

within the river basin of origin, except on a temporary, interim basis.

(Added Nov. 4, 1997; Subsecs. (a), (b), and (e) amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 49-d-8: See Appendix, Note 1.)

Sec. 49-d-9. ISSUANCE OF ADDITIONAL GENERAL OBLIGATION BONDS FOR TEXAS WATER DEVELOPMENT FUND II. (a) The Texas Water Development Board may issue additional general obligation bonds, at its determination, for one or more accounts of the Texas Water Development Fund II, in an amount not to exceed $2 billion. Of the additional general obligation bonds authorized to be issued, $50 million of those bonds shall be used for the water infrastructure fund as provided by law.

(b) Section 49-d-8 of this article applies to the bonds authorized by this section. The limitation in Section 49-d-8 of this article that the Texas Water Development Board may not issue 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.

(c) 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 Section 49-d-8 of this article or this section.

(Added Nov. 6, 2001.)

Sec. 49-d-10. ADDITIONAL BONDS FOR FINANCIAL ASSISTANCE TO ECONOMICALLY DISTRESSED AREAS. (a) The Texas Water Development Board may issue additional general obligation bonds, at its determination, for the economically distressed areas program account of the Texas Water Development Fund II, in an amount not to exceed $250 million. The bonds shall be used to provide financial assistance to economically distressed areas of the state as defined by law.

(b) Section 49-d-8(e) of this article applies to the bonds authorized by this section.

(Added Nov. 6, 2007.)

Sec. 49-d-11. CONTINUING AUTHORIZATION FOR ADDITIONAL BONDS FOR TEXAS WATER DEVELOPMENT FUND II. (a) In addition to the bonds authorized by the other provisions of this article, the Texas Water Development Board may issue 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 by the board under this section that are outstanding at any time does not exceed $6 billion.

(b) Section 49-d-8 of this article applies to the bonds authorized by this section. The limitation in Section 49-d-8 of this article that the Texas Water Development Board may not issue 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.

(c) 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.
(Added Nov. 8, 2011.)

Sec. 49-d-12. STATE WATER IMPLEMENTATION FUND FOR TEXAS. (a) The State Water Implementation Fund for Texas is created as a special fund in the state treasury outside the general revenue fund. Money in the State Water Implementation Fund for Texas shall be administered, without further appropriation, by the Texas Water Development Board or that board's successor in function and shall be used for the purpose of implementing the state water plan that is adopted as required by general law by the Texas Water Development Board or that board's successor in function. Separate accounts may be established in the State Water Implementation Fund for Texas as necessary to administer the fund or authorized projects.

(b) The legislature by general law may authorize the Texas Water Development Board or that board's successor in function to enter into bond enhancement agreements to provide additional

security for general obligation bonds or revenue bonds of the Texas Water Development Board or that board's successor in function, the proceeds of which are used to finance state water plan projects. Bond enhancement agreements must be payable solely from the State Water Implementation Fund for Texas; provided, however, the bond enhancement agreements may not exceed an amount that can be fully supported by the State Water Implementation Fund for Texas. Any amount paid under a bond enhancement agreement may be repaid as provided by general law; provided, however, any repayment may not cause general obligation bonds that are issued under Sections 49-d-9 and 49-d-11 of this article and that are payable from the fund or account receiving the bond enhancement payment to be no longer self-supporting for purposes of Section 49-j(b) of this article. Payments under a bond enhancement agreement entered into pursuant to this section may not be a constitutional state debt payable from general revenues of the state.

(c) The legislature by general law may authorize the Texas Water Development Board or that board's successor in function to use the State Water Implementation Fund for Texas to finance, including by direct loan, water projects included in the state water plan.

(d) The Texas Water Development Board or that board's successor in function shall provide written notice to the Legislative Budget Board or that board's successor in function before each bond enhancement agreement or loan agreement entered into pursuant to this section has been executed by the Texas Water Development Board or that board's successor in function and shall provide a copy of the proposed agreement to the Legislative Budget Board or that board's successor in function for approval. The proposed agreement shall be considered to be approved unless the Legislative Budget Board or that board's successor in function issues a written disapproval not later than the 21st day after the date on which the staff of that board receives the submission.

(e) The State Water Implementation Fund for Texas consists of:

(1) money transferred or deposited to the credit of the fund by general law, including money from any source

transferred or deposited to the credit of the fund at the discretion of the Texas Water Development Board or that board's successor in function as authorized by general law;

(2) the proceeds of any fee or tax imposed by this state that by statute is dedicated for deposit to the credit of the fund;

(3) any other revenue that the legislature by statute dedicates for deposit to the credit of the fund;

(4) investment earnings and interest earned on amounts credited to the fund; and

(5) money transferred to the fund under a bond enhancement agreement from another fund or account to which money from the fund was transferred under a bond enhancement agreement, as authorized by general law.

(f) The legislature by general law shall provide for the manner in which the assets of the State Water Implementation Fund for Texas may be used, subject to the limitations provided by this section. The legislature by general law may provide for costs of investment of the State Water Implementation Fund for Texas to be paid from that fund.

(g) As provided by general law, each fiscal year the Texas Water Development Board or that board's successor in function shall set aside from amounts on deposit in the State Water Implementation Fund for Texas an amount that is sufficient to make payments under bond enhancement agreements that become due during that fiscal year.

(h) Any dedication or appropriation of amounts on deposit in the State Water Implementation Fund for Texas may not be modified so as to impair any outstanding obligation under a bond enhancement agreement secured by a pledge of those amounts unless provisions have been made for a full discharge of the bond enhancement agreement.

(i) Money in the State Water Implementation Fund for Texas is dedicated by this constitution for purposes of Section 22, Article VIII, of this constitution and an appropriation from the economic stabilization fund to the credit of the State Water Implementation Fund for Texas is an appropriation of state tax

revenues dedicated by this constitution for the purposes of Section 22, Article VIII, of this constitution.

(j) This section being intended only to establish a basic framework and not to be a comprehensive treatment of the State Water Implementation Fund for Texas, there is hereby reposed in the legislature full power to implement and effectuate the design and objects of this section, including the power to delegate such duties, responsibilities, functions, and authority to the Texas Water Development Board or that board's successor in function as the legislature believes necessary.

(Added Nov. 5, 2013.)

Sec. 49-d-13. STATE WATER IMPLEMENTATION REVENUE FUND FOR TEXAS. (a) The State Water Implementation Revenue Fund for Texas is created as a special fund in the state treasury outside the general revenue fund. Money in the State Water Implementation Revenue Fund for Texas shall be administered, without further appropriation, by the Texas Water Development Board or that board's successor in function and shall be used for the purpose of implementing the state water plan that is adopted as required by general law by the Texas Water Development Board or that board's successor in function. Separate accounts may be established in the State Water Implementation Revenue Fund for Texas as necessary to administer the fund or authorized projects.

(b) The legislature by general law may authorize the Texas Water Development Board or that board's successor in function to issue bonds and enter into related credit agreements that are payable from all revenues available to the State Water Implementation Revenue Fund for Texas.

(c) The Texas Water Development Board or that board's successor in function shall provide written notice to the Legislative Budget Board or that board's successor in function before issuing a bond pursuant to this section or entering into a related credit agreement that is payable from revenue deposited to the credit of the State Water Implementation Revenue Fund for Texas and shall provide a copy of the proposed bond or agreement to the Legislative Budget Board or that board's successor in function for

approval. The proposed bond or agreement shall be considered to be approved unless the Legislative Budget Board or that board's successor in function issues a written disapproval not later than the 21st day after the date on which the staff of that board receives the submission.

(d) The State Water Implementation Revenue Fund for Texas consists of:

(1) money transferred or deposited to the credit of the fund by general law, including money from any source transferred or deposited to the credit of the fund at the discretion of the Texas Water Development Board or that board's successor in function as authorized by general law;

(2) the proceeds of any fee or tax imposed by this state that by statute is dedicated for deposit to the credit of the fund;

(3) any other revenue that the legislature by statute dedicates for deposit to the credit of the fund;

(4) investment earnings and interest earned on amounts credited to the fund;

(5) the proceeds from the sale of bonds, including revenue bonds issued under this section by the Texas Water Development Board or that board's successor in function for the purpose of providing money for the fund; and

(6) money disbursed to the fund from the State Water Implementation Fund for Texas as authorized by general law.

(e) The legislature by general law shall provide for the manner in which the assets of the State Water Implementation Revenue Fund for Texas may be used, subject to the limitations provided by this section. The legislature by general law may provide for costs of investment of the State Water Implementation Revenue Fund for Texas to be paid from that fund.

(f) In each fiscal year in which amounts become due under the bonds or agreements authorized by this section, the Texas Water Development Board or that board's successor in function shall transfer from revenue deposited to the credit of the State Water Implementation Revenue Fund for Texas in that fiscal year an amount that is sufficient to pay:

(1) the principal of and interest on the bonds that mature or become due during the fiscal year; and

(2) any cost related to the bonds, including payments under related credit agreements that become due during that fiscal year.

(g) Any obligations authorized by general law to be issued by the Texas Water Development Board or that board's successor in function pursuant to this section shall be special obligations payable solely from amounts in the State Water Implementation Revenue Fund for Texas. Obligations issued by the Texas Water Development Board or that board's successor in function pursuant to this section may not be a constitutional state debt payable from the general revenue of the state.

(h) Any dedication or appropriation of revenue to the credit of the State Water Implementation Revenue Fund for Texas may not be modified so as to impair any outstanding bonds secured by a pledge of that revenue unless provisions have been made for a full discharge of those bonds.

(i) Money in the State Water Implementation Revenue Fund for Texas is dedicated by this constitution for purposes of Section 22, Article VIII, of this constitution.

(j) This section being intended only to establish a basic framework and not to be a comprehensive treatment of the State Water Implementation Revenue Fund for Texas, there is hereby reposed in the legislature full power to implement and effectuate the design and objects of this section, including the power to delegate such duties, responsibilities, functions, and authority to the Texas Water Development Board or that board's successor in function as the legislature believes necessary.

(Added Nov. 5, 2013.)

(Text of section as proposed by Acts 2019, 86th Leg., R.S., H.J.R. 4.)

Sec. 49-d-14. FLOOD INFRASTRUCTURE FUND. (a) The flood infrastructure fund is created as a special fund in the state treasury outside the general revenue fund.

(b) As provided by general law, money in the flood

infrastructure fund may be administered and used, without further appropriation, by the Texas Water Development Board or that board's successor in function to provide financing for a drainage, flood mitigation, or flood control project, including:

(1) planning and design activities;

(2) work to obtain regulatory approval to provide nonstructural and structural flood mitigation and drainage; or

(3) construction of structural flood mitigation and drainage infrastructure.

(c) Separate accounts may be established in the flood infrastructure fund as necessary to administer the fund or authorized projects.

(Added Nov. 5, 2019.)

(Text of section as proposed by Acts 2019, 86th Leg., R.S., S.J.R. 79.)

Sec. 49-d-14. ADDITIONAL BONDS FOR WATER SUPPLY AND SEWER SERVICE PROJECTS IN ECONOMICALLY DISTRESSED AREAS. (a) In addition to the bonds authorized by the other provisions of this article, the Texas Water Development Board may issue general obligation bonds, at its determination and on a continuing basis, for the economically distressed areas program account of the Texas Water Development Fund II in amounts such that the aggregate principal amount of the bonds issued by the board under this section that are outstanding at any time does not exceed $200 million. The bonds shall be used to provide financial assistance for the development of water supply and sewer service projects in economically distressed areas of the state as defined by law.

(b) The additional general obligation bonds authorized by this section may be issued as bonds, notes, or other obligations as permitted by law and shall be sold in forms and denominations, on terms, at times, in the manner, at places, and in installments, as determined by the Texas Water Development Board. The bonds shall bear a rate or rates of interest the Texas Water Development Board determines. The bonds shall be incontestable after execution by the Texas Water Development Board, approval by the attorney general, and delivery to the purchaser or purchasers of the bonds.

(c) Section 49-d-8(e) of this article applies to the additional general obligation bonds authorized by this section. The limitation in Section 49-d-8 of this article that the Texas Water Development Board may not issue bonds in excess of the aggregate principal amount of general obligation bonds previously authorized for the economically distressed areas program does not apply to the bonds authorized by and issued under this section.
(Added Nov. 5, 2019.)

(Text of section as proposed by Acts 2023, 88th Leg., R.S., H.J.R. 125.)

Sec. 49-d-16. BROADBAND INFRASTRUCTURE FUND. (a) In this section:

(1) "Comptroller" means the comptroller of public accounts of the State of Texas or its successor.

(2) "Fund" means the broadband infrastructure fund.

(b) The broadband infrastructure fund is created as a special fund in the state treasury outside the general revenue fund.

(c) The fund consists of:

(1) money transferred or deposited to the credit of the fund by this constitution, general law, or the General Appropriations Act;

(2) revenue that the legislature by general law dedicates for deposit to the credit of the fund;

(3) investment earnings and interest earned on money in the fund; and

(4) gifts, grants, and donations to the fund.

(d) Money in the fund shall be administered by the comptroller. Money from the fund may be used, without further appropriation, only for the expansion of access to and adoption of broadband and telecommunications services, including:

(1) the development, construction, reconstruction, and expansion of broadband and telecommunications infrastructure or services;

(2) the operation of broadband and telecommunications infrastructure;

(3) the provision of broadband and telecommunications services; and

(4) the reasonable expenses of administering and managing the investments of the fund.

(e) The legislature by general law shall provide for the manner in which the assets of the fund may be used, subject to the limitations of this section. Money in the fund may be used in conjunction with other funds or financial resources, including money from the federal government, in accordance with procedures, standards, and limitations established by federal law and general law of this state.

(f) The comptroller may transfer money from the fund to another fund as provided by general law. The state agency that administers the fund to which the money is transferred as authorized by this subsection may use the money without further appropriation only for the expansion of access to and adoption of broadband and telecommunications services as provided by general law.

(g) Unless extended by adoption of a concurrent resolution approved by a record vote of two-thirds of the members of each house of the legislature, this section expires on September 1, 2035. A resolution suspends the expiration of this section until September 1 of the 10th year following the adoption of the resolution.

(h) Immediately before the expiration of this section, the comptroller shall transfer any unexpended and unobligated balance remaining in the fund to the general revenue fund.

(i) For purposes of Section 22, Article VIII, of this constitution:

(1) money in the fund is dedicated by this constitution; and

(2) an appropriation of state tax revenues for the purpose of depositing money to the credit of the fund is treated as if it were an appropriation of revenues dedicated by this constitution.

(Added Nov. 7, 2023.)

(Text of section as proposed by Acts 2023, 88th Leg., R.S., S.J.R.

75.)

Sec. 49-d-16. TEXAS WATER FUND. (a) The Texas water fund is created as a special fund in the state treasury outside the general revenue fund. The fund is administered by the Texas Water Development Board or by that board's successor in function as provided by general law. The legislature may appropriate money for the purpose of depositing the money to the fund to be available for transfer as provided by Subsection (b) of this section.

(b) The administrator of the Texas water fund may use the fund only to transfer money to other funds or accounts administered by the Texas Water Development Board or that board's successor in function. Money transferred from the Texas water fund to a fund or account may be spent without further legislative appropriation in the manner provided by general law governing the use of money in the fund or account to which the money was transferred. The administrator may restore to the fund money transferred from the fund and deposited to the credit of another fund or account. Legislative appropriation is not required for the administrator to transfer money from or restore money to the fund, including the transfer of money from the fund to or the restoration of the money from:

(1) the Water Assistance Fund No. 480;

(2) the New Water Supply for Texas Fund;

(3) the Rural Water Assistance Fund No. 301; or

(4) the Statewide Water Public Awareness Account.

(c) The Texas water fund consists of:

(1) money transferred or deposited to the credit of the fund under this constitution or by general law, including money appropriated by the legislature directly to the fund and money from any source transferred or deposited to the credit of the fund authorized by this constitution or by general law;

(2) any other revenue that the legislature by statute dedicates for deposit to the credit of the fund;

(3) investment earnings and interest earned on amounts credited to the fund;

(4) money from gifts, grants, or donations to the fund;

(5) money returned from any authorized transfer; and

(6) money in accounts established in the fund under this constitution or by general law.

(d) The legislature by general law shall provide for the manner in which money from the Texas water fund may be used, subject to the limitations provided by this section.

(e) The legislature by general law or by adoption of a concurrent resolution approved by a record vote of a majority of the members of each house may allocate for transfer to the funds and accounts administered by the Texas Water Development Board or that board's successor the money deposited to the credit of the Texas water fund under Section 7-e, Article VIII, of this constitution. The allocation of money prescribed by a general law or resolution under this subsection may not be changed by the legislature during the first 10 fiscal years for which the money is allocated by the general law or resolution. Any money deposited to the credit of the Texas water fund under Section 7-e, Article VIII, of this constitution that is not allocated by a general law or resolution under this subsection may be transferred to other funds or accounts by the Texas Water Development Board or that board's successor in accordance with Subsection (b) of this section.

(e-1) During a state of disaster declared under Chapter 418, Government Code, or its successor, an allocation made under Subsection (e) of this section may be suspended through the budget execution process under Chapter 317, Government Code, or its successor, or by adoption of a concurrent resolution approved by a record vote of a majority of the members of each house. During a suspension of an allocation under this subsection, the money that would have been allocated but for the suspension is subject to appropriation by the legislature for any purpose. It is the intent of the legislature that any money repurposed under this subsection be restored to the Texas water fund when practicable.

(e-2) Of the amount of money initially appropriated to the Texas water fund, the administrator of the fund shall allocate not less than 25 percent to be used only for transfer to the New Water Supply for Texas Fund.

(e-3) This subsection and Subsections (e), (e-1), and (e-2)

of this section expire August 31, 2047.

(f) The expenses of managing the investments of the Texas water fund shall be paid from that fund.

(g) For purposes of Section 22, Article VIII, of this constitution:

(1) money in the Texas water fund is dedicated by this constitution; and

(2) an appropriation of state tax revenues for the purpose of depositing money to the credit of the Texas water fund is treated as if it were an appropriation of revenues dedicated by this constitution.

(h) Any unexpended and unobligated balance remaining in the Texas water fund at the end of a state fiscal biennium is appropriated to the administrator of that fund for the following state fiscal biennium for the purposes authorized by this section. (Added Nov. 7, 2023; Subsecs. (c) and (e) amended and (e-1), (e-2), and (e-3) added Nov. 4, 2025.)

Sec. 49-e. TEXAS PARK DEVELOPMENT FUND; BONDS. (a) The Parks and Wildlife Department, or its successor vested with the powers, duties, and authority which deals with the operation, maintenance, and improvement of State Parks, shall have the authority to provide for, issue and sell general obligation bonds of the State of Texas in an amount authorized by constitutional amendment or by a debt proposition under Section 49 of this article. The bonds shall be called "Texas Park Development Bonds," shall be executed in such form, denominations, and upon such terms as may be prescribed by law, shall bear a rate or rates of interest as may be fixed by the Parks and Wildlife Department or its successor, not to exceed the maximum prescribed by Section 65 of this article, and may be issued in such installments as said Parks and Wildlife Department, or its said successor, finds feasible and practical in accomplishing the purpose set forth herein.

(b) All moneys received from the sale of said bonds shall be deposited in a fund hereby created with the Comptroller of Public Accounts of the State of Texas to be known as the Texas Park Development Fund to be administered (without further

appropriation) by the said Parks and Wildlife Department, or its said successor, in such manner as prescribed by law.

(c) Such fund shall be used by said Parks and Wildlife Department, or its said successor, under such provisions as the Legislature may prescribe by general law, for the purposes of acquiring lands from the United States, or any governmental agency thereof, from any governmental agency of the State of Texas, or from any person, firm, or corporation, for State Park Sites and for developing said sites as State Parks.

(d) While any of the bonds, or any interest on any such bonds, is outstanding and unpaid, there is hereby appropriated out of the first moneys coming into the Treasury in each fiscal year, not otherwise appropriated by this Constitution, an amount which is sufficient to pay the principal and interest on such bonds that mature or become due during such fiscal year, less the amount in the interest and sinking fund at the close of the prior fiscal year, which includes any receipts derived during the prior fiscal year by said Parks and Wildlife Department, or its said successor, from admission charges to State Parks, as the Legislature may prescribe by general law.

(e) The Legislature may provide for the investment of moneys available in the Texas Park Development Fund and the interest and sinking fund established for the payment of bonds issued by said Parks and Wildlife Department, or its said successor. Income from such investment shall be used for the purposes prescribed by the Legislature.

(f) From the moneys received by said Parks and Wildlife Department, or its said successor, from the sale of the bonds issued hereunder, there shall be deposited in the interest and sinking fund for the bonds authorized by this section sufficient moneys to pay the interest to become due during the State fiscal year in which the bonds were issued. After all bonds have been fully paid with interest, or after there are on deposit in the interest and sinking fund sufficient moneys to pay all future maturities of principal and interest, additional moneys received from admission charges to State Parks shall be deposited to the State Parks Fund, or any successor fund which may be established by the Legislature as a

depository for Park revenue earned by said Parks and Wildlife Department, or its said successor.

(g) All bonds issued hereunder shall after approval by the Attorney General, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas.

(Added Nov. 11, 1967; amended Nov. 7, 1995, and Nov. 2, 1999.)

(TEMPORARY TRANSITION PROVISIONS for Sec. 49-e: See Appendix, Note 1.)

Sec. 49-e-1. CENTENNIAL PARKS CONSERVATION FUND. (a) The centennial parks conservation fund is established as a trust fund outside the treasury. In accordance with general law, the fund may be used only for the creation and improvement of state parks.

(b) The centennial parks conservation fund consists of:

(1) money appropriated, credited, or transferred to the fund by the legislature;

(2) gifts, grants, and donations received by the Parks and Wildlife Department or the department's successor in function for a purpose for which money in the fund may be used under this section; and

(3) investment earnings and interest earned on amounts credited to the fund.

(c) The legislature may appropriate money from the centennial parks conservation fund to the Parks and Wildlife Department or the department's successor in function for the purposes prescribed for the fund by this section and general law.

(d) For purposes of Section 22, Article VIII, of this constitution:

(1) money in the centennial parks conservation fund is dedicated by this constitution; and

(2) an appropriation of state tax revenues for the purpose of depositing money to the credit of the fund is treated as if it were an appropriation of revenues dedicated by this constitution.

(e) The reasonable expenses of managing the fund and its

assets shall be paid from the fund.

(Added Nov. 7, 2023.)

Sec. 49-f. BONDS FOR FINANCIAL ASSISTANCE TO PURCHASE FARM AND RANCH LAND AND FOR RURAL ECONOMIC DEVELOPMENT. (a) The legislature by general law may provide for the issuance of general obligation bonds of the state, the proceeds of which shall be used to make loans and provide other financing assistance for the purchase of farm and ranch land.

(b) Except as provided by Subsection (g) of this section, all money received from the sale of the bonds shall be deposited in a fund created with the comptroller of public accounts to be known as the farm and ranch finance program fund. This fund shall be administered by the Texas Agricultural Finance Authority in the manner prescribed by law.

(c) Section 65(b) of this article applies to the payment of interest on the bonds.

(d) The principal amount of bonds outstanding at one time may not exceed $500 million.

(e) While any of the bonds authorized by this section or any interest on those bonds is outstanding and unpaid, there is appropriated out of the first money coming into the treasury in each fiscal year not otherwise appropriated by this constitution an amount that is sufficient to pay the principal and interest on the bonds that mature or become due during the fiscal year less the amount in the interest and sinking fund at the close of the prior fiscal year.

(f) The bonds shall be approved by the attorney general and registered with the comptroller of public accounts. The bonds, when approved and registered, are general obligations of the state and are incontestable.

(g) Notwithstanding Subsection (a) of this section, the proceeds of $200 million of the bonds authorized by this section may be used for the purposes provided by Section 49-i of this article and for other rural economic development programs, and the proceeds of bonds issued for those purposes under this subsection shall be deposited in the Texas agricultural fund, to be administered in the

same manner that proceeds of bonds issued under Section 49-i of this article are administered.

(Added Nov. 5, 1985; Subsec. (b) amended and (g) added Nov. 7, 1995.)

(Text of section as proposed by Acts 1987, 70th Leg., R.S., H.J.R. 2.)

Sec. 49-g. ECONOMIC STABILIZATION FUND; ALLOCATION OF CERTAIN OIL AND GAS PRODUCTION TAX REVENUE. (a) The economic stabilization fund is established as a special fund in the state treasury.

(b) The comptroller shall, not later than the 90th day of each biennium, transfer to the economic stabilization fund one-half of any unencumbered positive balance of general revenues on the last day of the preceding biennium. If necessary, the comptroller shall reduce the amount transferred in proportion to the other amounts prescribed by this section to prevent the amount in the fund from exceeding the limit in effect for that biennium under Subsection (g) of this section.

(c) Not later than the 90th day of each fiscal year, the comptroller of public accounts shall transfer from the general revenue fund to the economic stabilization fund and the state highway fund the sum of the amounts described by Subsections (d) and (e) of this section, to be allocated as provided by Subsections (c-1) and (c-2) of this section. However, if necessary and notwithstanding the allocations prescribed by Subsections (c-1) and (c-2) of this section, the comptroller shall reduce proportionately the amounts described by Subsections (d) and (e) of this section to be transferred and allocated to the economic stabilization fund to prevent the amount in that fund from exceeding the limit in effect for that biennium under Subsection (g) of this section. Revenue transferred to the state highway fund under this subsection may be used only for constructing, maintaining, and acquiring rights-of-way for public roadways other than toll roads.

(c-1) Of the sum of the amounts described by Subsections (d) and (e) of this section and required to be transferred from the

general revenue fund under Subsection (c) of this section, the comptroller shall allocate one-half to the economic stabilization fund and the remainder to the state highway fund, except as provided by Subsection (c-2) of this section.

(c-2) The legislature by general law shall provide for a procedure by which the allocation of the sum of the amounts described by Subsections (d) and (e) of this section may be adjusted to provide for a transfer to the economic stabilization fund of an amount greater than the allocation provided for under Subsection (c-1) of this section with the remainder of that sum, if any, allocated for transfer to the state highway fund. The allocation made as provided by that general law is binding on the comptroller for the purposes of the transfers required by Subsection (c) of this section.

(d) If in the preceding year the state received from oil production taxes a net amount greater than the net amount of oil production taxes received by the state in the fiscal year ending August 31, 1987, the comptroller shall transfer under Subsection (c) of this section and allocate in accordance with Subsections (c-1) and (c-2) of this section an amount equal to 75 percent of the difference between those amounts. The comptroller shall retain the remaining 25 percent of the difference as general revenue. In computing the net amount of oil production taxes received, the comptroller may not consider refunds paid as a result of oil overcharge litigation.

(e) If in the preceding year the state received from gas production taxes a net amount greater than the net amount of gas production taxes received by the state in the fiscal year ending August 31, 1987, the comptroller shall transfer under Subsection (c) of this section and allocate in accordance with Subsections (c-1) and (c-2) of this section an amount equal to 75 percent of the difference between those amounts. The comptroller shall retain the remaining 25 percent of the difference as general revenue. For the purposes of this subsection, the comptroller shall adjust the computation of revenues to reflect only 12 months of collection.

(f) The legislature may appropriate additional amounts to the economic stabilization fund.

(g) During each fiscal biennium, the amount in the economic stabilization fund may not exceed an amount equal to 10 percent of the total amount, excluding investment income, interest income, and amounts borrowed from special funds, deposited in general revenue during the preceding biennium.

(h) In preparing an estimate of anticipated revenues for a succeeding biennium as required by Article III, Section 49a, of this constitution, the comptroller shall estimate the amount of the transfers that will be made under Subsections (b), (d), and (e) of this section. The comptroller shall deduct that amount from the estimate of anticipated revenues as if the transfers were made on August 31 of that fiscal year.

(i) The comptroller shall credit to general revenue interest due to the economic stabilization fund that would result in an amount in the economic stabilization fund that exceeds the limit in effect under Subsection (g) of this section.

(j) The comptroller may transfer money from the economic stabilization fund to general revenue to prevent or eliminate a temporary cash deficiency in general revenue. The comptroller shall return the amount transferred to the economic stabilization fund as soon as practicable, but not later than August 31 of each odd-numbered year. The comptroller shall allocate the depository interest as if the transfers had not been made. If the comptroller submits a statement to the governor and the legislature under Article III, Section 49a, of this constitution when money from the economic stabilization fund is in general revenue, the comptroller shall state that the transferred money is not available for appropriation from general revenue.

(k) Amounts from the economic stabilization fund may be appropriated during a regular legislative session only for a purpose for which an appropriation from general revenue was made by the preceding legislature and may be appropriated in a special session only for a purpose for which an appropriation from general revenue was made in a preceding legislative session of the same legislature. An appropriation from the economic stabilization fund may be made only if the comptroller certifies that appropriations from general revenue made by the preceding legislature for the

current biennium exceed available general revenues and cash balances for the remainder of that biennium. The amount of an appropriation from the economic stabilization fund may not exceed the difference between the comptroller's estimate of general revenue for the current biennium at the time the comptroller receives for certification the bill making the appropriation and the amount of general revenue appropriations for that biennium previously certified by the comptroller. Appropriations from the economic stabilization fund under this subsection may not extend beyond the last day of the current biennium. An appropriation from the economic stabilization fund must be approved by a three-fifths vote of the members present in each house of the legislature.

(l) If an estimate of anticipated revenues for a succeeding biennium prepared by the comptroller pursuant to Article III, Section 49a, of this constitution is less than the revenues that are estimated at the same time by the comptroller to be available for the current biennium, the legislature may, by a three-fifths vote of the members present in each house, appropriate for the succeeding biennium from the economic stabilization fund an amount not to exceed this difference. Following each fiscal year, the actual amount of revenue shall be computed, and if the estimated difference exceeds the actual difference, the comptroller shall transfer the amount necessary from general revenue to the economic stabilization fund so that the actual difference shall not be exceeded. If all or a portion of the difference in revenue from one biennium to the next results, at least in part, from a change in a tax rate or base adopted by the legislature, the computation of revenue difference shall be adjusted to the amount that would have been available had the rate or base not been changed.

(m) In addition to the appropriation authority provided by Subsections (k) and (l) of this section, the legislature may, by a two-thirds vote of the members present in each house, appropriate amounts from the economic stabilization fund at any time and for any purpose.

(n) Money appropriated from the economic stabilization fund is subject to being withheld or transferred, within any limits provided by statute, by any person or entity authorized to exercise

the power granted by Article XVI, Section 69, of this constitution.

(o) In this section, "net" means the amount of money that is equal to the difference between gross collections and refunds before the comptroller allocates the receipts as provided by law.

(p) On the first business day occurring on or after the 90th day of each state fiscal year, an amount equal to the interest income, dividends, and investment earnings attributable to the economic stabilization fund for the preceding state fiscal year, not to exceed the amount determined under Subsection (q) of this section, is appropriated from the economic stabilization fund to the comptroller of public accounts for the purpose of immediate deposit to the credit of the Texas University Fund. For purposes of this subsection, the amount of interest income, dividends, and investment earnings attributable to the economic stabilization fund for a state fiscal year is computed by:

(1) determining the amount of interest and dividends due to the fund for that fiscal year, including any interest credited to general revenue under Subsection (i) of this section;

(2) adding to the amount determined under Subdivision (1) of this subsection an amount equal to the increase, if any, in the fair market value of the fund between the last day of that fiscal year and the last day of the preceding state fiscal year; and

(3) subtracting from the amount determined under Subdivision (2) of this subsection the amount of any expenses of managing the investments of money in the fund that are paid from the fund during that fiscal year.

(q) The amount of the appropriation made under Subsection (p) of this section may not exceed:

(1) for the state fiscal year beginning September 1, 2023, $100 million; or

(2) for a state fiscal year beginning on or after September 1, 2024, the amount determined under this subsection for the preceding state fiscal year adjusted by the increase, if any, in the general price level during the preceding state fiscal year, as determined by the comptroller of public accounts on the basis of changes in the consumer price index published by the Bureau of Labor Statistics of the United States Department of Labor or a successor

agency and not to exceed two percent per state fiscal year.
(Added Nov. 8, 1988; Subsec. (p) expired Sept. 2, 1989; Subsecs. (i) and (j) amended Nov. 7, 1995; Subsecs. (c), (d), and (e) amended and Subsecs. (c-1) and (c-2) added Nov. 4, 2014; Subsecs. (p) and (q) added Nov. 7, 2023.)

Sec. 49-h. BOND ISSUANCE FOR CORRECTIONAL AND STATEWIDE LAW ENFORCEMENT FACILITIES AND FOR INSTITUTIONS FOR PERSONS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES. (a) In amounts authorized by constitutional amendment or by a debt proposition under Section 49 of this article, the legislature may provide for the issuance of general obligation bonds and the use of the bond proceeds for acquiring, constructing, or equipping new facilities or for major repair or renovation of existing facilities of corrections institutions, including youth corrections institutions, and mental health and mental retardation institutions. The legislature may require the review and approval of the issuance of the bonds and the projects to be financed by the bond proceeds. Notwithstanding any other provision of this constitution, the issuer of the bonds or any entity created or directed to review and approve projects may include members or appointees of members of the executive, legislative, and judicial departments of state government.

(b) Bonds issued under this section constitute a general obligation of the state. While any of the bonds or interest on the bonds is outstanding and unpaid, there is appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, the amount sufficient to pay the principal of and interest on the bonds that mature or become due during the fiscal year, less any amount in any sinking fund at the end of the preceding fiscal year that is pledged to payment of the bonds or interest.

(c) In addition to the purposes authorized under Subsection (a), the legislature may authorize the issuance of the general obligation bonds for acquiring, constructing, or equipping:

(1) new statewide law enforcement facilities and for

major repair or renovation of existing facilities; and

(2) new prisons and substance abuse felony punishment facilities to confine criminals and major repair or renovation of existing facilities of those institutions, and for the acquisition of, major repair to, or renovation of other facilities for use as state prisons or substance abuse felony punishment facilities. (Added Nov. 3, 1987; Subsec. (c) added Nov. 7, 1989; Subsec. (d) added Nov. 5, 1991; Subsec. (e) added Nov. 2, 1993; Subsecs. (a) and (c) amended, Subsec. (d) amended and redesignated Subsec. (c), and Subsec. (e) deleted Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 49-h: See Appendix, Note 1.)

Sec. 49-i. TEXAS AGRICULTURAL FUND; RURAL MICROENTERPRISE DEVELOPMENT FUND. (a) The legislature by law may provide for the issuance of general obligation bonds of the state for the purpose of providing money to establish a Texas agricultural fund in the state treasury to be used without further appropriation in the manner provided by law and for the purpose of providing money to establish a rural microenterprise development fund in the state treasury to be used without further appropriation in the manner provided by law. The Texas agricultural fund shall be used only to provide financial assistance to develop, increase, improve, or expand the production, processing, marketing, or export of crops or products grown or produced primarily in this state by agricultural businesses domiciled in the state. The rural microenterprise development fund shall be used only in furtherance of a program established by the legislature to foster and stimulate the creation and expansion of small businesses in rural areas. The financial assistance offered by both funds may include loan guarantees, insurance, coinsurance, loans, and indirect loans or purchases or acceptances of assignments of loans or other obligations.

(b) The principal amount of bonds outstanding at one time may not exceed $25 million for the Texas agricultural fund and $5 million for the rural microenterprise development fund.

(c) The legislature may establish an interest and sinking account and other accounts within the Texas agricultural fund and within the rural microenterprise development fund. The legislature

may provide for the investment of bond proceeds and of the interest and sinking accounts. Income from the investment of money in the funds that is not immediately committed to the payment of the principal of and interest on the bonds or the provision of financial assistance shall be used to create new employment and business opportunities in the state through the diversification and expansion of agricultural or rural small businesses, as provided by the legislature.

(d) Bonds authorized under this section constitute a general obligation of the state. While any of the bonds or interest on the bonds is outstanding and unpaid, there is appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, the amount sufficient to pay the principal of and interest on the bonds that mature or become due during the fiscal year, less any amounts in the interest and sinking accounts at the close of the preceding fiscal year that are pledged to payment of the bonds or interest.

(Added Nov. 7, 1989.)

Sec. 49-j. LIMIT ON STATE DEBT PAYABLE FROM GENERAL REVENUE FUND. (a) The legislature may not authorize additional state debt if the resulting annual debt service exceeds the limitation imposed by this section. The maximum annual debt service in any fiscal year on state debt payable from the general revenue fund may not exceed five percent of an amount equal to the average of the amount of general revenue fund revenues, excluding revenues constitutionally dedicated for purposes other than payment of state debt, for the three preceding fiscal years.

(b) For purposes of this section, "state debt payable from the general revenue fund" means general obligation and revenue bonds, including authorized but unissued bonds, and lease-purchase agreements in an amount greater than $250,000, which bonds or lease purchase agreements are designed to be repaid with the general revenues of the state. The term does not include bonds that, although backed by the full faith or credit of the state, are reasonably expected to be paid from other revenue sources and that are not expected to create a general revenue draw. Bonds or lease

purchase agreements that pledge the full faith and credit of the state are considered to be reasonably expected to be paid from other revenue sources if they are designed to receive revenues other than state general revenues sufficient to cover their debt service over the life of the bonds or agreement. If those bonds or agreements, or any portion of the bonds or agreements, subsequently requires use of the state's general revenue for payment, the bonds or agreements, or portion of the bonds or agreements, is considered to be a "state debt payable from the general revenue fund" under this section, until:

(1) the bonds or agreements are backed by insurance or another form of guarantee that ensures payment from a source other than general revenue; or

(2) the issuer demonstrates to the satisfaction of the Bond Review Board or its successor designated by law that the bonds no longer require payment from general revenue, and the Bond Review Board so certifies to the Legislative Budget Board or its successor designated by law.

(Added Nov. 4, 1997.)

Sec. 49-k. TEXAS MOBILITY FUND. (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 Mobility Fund.

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

(b) The Texas Mobility Fund is created in the state treasury and shall be administered by the commission as a revolving fund to provide a method of financing the construction, reconstruction, acquisition, and expansion of state highways, including costs of any necessary design and costs of acquisition of rights-of-way, as determined by the commission in accordance with standards and procedures established by law.

(c) Money in the fund may also be used to provide participation by the state in the payment of a portion of the costs of constructing and providing publicly owned toll roads and other public transportation projects in accordance with the procedures, standards, and limitations established by law.

(d) 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.

(e) The legislature by law may dedicate to the fund one or more specific sources or portions, or a specific amount, of the revenue, including taxes, and other money of the state that are not otherwise dedicated by this constitution. The legislature may not dedicate money from the collection of motor vehicle registration fees and taxes on motor fuels and lubricants dedicated by Section 7-a, Article VIII, of this constitution, but it may dedicate money received from other sources that are allocated to the same costs as those dedicated taxes and fees.

(f) 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 (g) of this section; and

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

(g) In addition to the dedication of specified sources or amounts of revenue, taxes, or money as provided by Subsection (e) 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 that is sufficient to pay the principal of the obligations and agreements and the 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.

(h) 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.

(i) 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 (g) 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.

(j) 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.

(Added Nov. 6, 2001.)

Sec. 49-l. FINANCIAL ASSISTANCE TO COUNTIES FOR ROADWAY PROJECTS TO SERVE BORDER COLONIAS. (a) To fund financial assistance to counties for roadways to serve border colonias, the legislature by general law may authorize the governor to authorize the Texas Public Finance Authority or its successor to issue general obligation bonds or notes of the State of Texas in an aggregate amount not to exceed $175 million and to enter into related credit agreements. Except as provided by Subsection (c) of this section, the proceeds from the sale of the bonds and notes may be used only to provide financial assistance to counties for projects to provide access roads to connect border colonias with public roads. Projects may include the construction of colonia access roads, the acquisition of materials used in maintaining colonia access roads, and projects related to the construction of colonia access roads, such as projects for the drainage of the roads.

(b) The Texas Transportation Commission may, in its

discretion and in consultation with the office of the governor, determine what constitutes a border colonia for purposes of selecting the counties and projects that may receive assistance under this section.

(c) A portion of the proceeds from the sale of the bonds and notes and a portion of the interest earned on the bonds and notes may be used to pay:

(1) the costs of administering projects authorized under this section; and

(2) all or part of a payment owed or to be owed under a credit agreement.

(d) The bonds and notes authorized under this section constitute a general obligation of the state. While any of the bonds or notes or interest on the bonds or notes is outstanding and unpaid, there is appropriated out of the general revenue fund in each fiscal year an amount sufficient to pay the principal of and interest on the bonds and notes that mature or become due during the fiscal year, including an amount sufficient to make payments under a related credit agreement.

(Added Nov. 6, 2001.)

Sec. 49-m. SHORT-TERM NOTES AND LOANS FOR TEXAS DEPARTMENT OF TRANSPORTATION FUNCTIONS. (a) The legislature, by law, may authorize the Texas Transportation Commission or its successor to authorize the Texas Department of Transportation or its successor to issue notes or borrow money from any source to carry out the functions of the department.

(b) Notes issued or a loan obtained under this section may not have a term of more than two years. The legislature may appropriate money dedicated by Sections 7-a and 7-b, Article VIII, of this constitution for the purpose of paying a debt created by the notes or loan.

(Added Sept. 13, 2003.)

(Text of section as proposed by Acts 2003, 78th Leg., R.S., H.J.R. No. 28.)

Sec. 49-n. PUBLIC SECURITIES AND BOND ENHANCEMENT

AGREEMENTS PAYABLE FROM STATE HIGHWAY FUND FOR HIGHWAY IMPROVEMENT PROJECTS. (a) To fund highway improvement projects, the legislature may authorize the Texas Transportation Commission or its successor to issue bonds and other public securities and enter into bond enhancement agreements that are payable from revenue deposited to the credit of the state highway fund.

(b) In each fiscal year in which amounts become due under the bonds, other public securities, or agreements authorized by this section, there is appropriated from the revenue deposited to the credit of the state highway fund in that fiscal year an amount that is sufficient to pay:

(1) the principal of and interest on the bonds or other public securities that mature or become due during the fiscal year; and

(2) any cost related to the bonds and other public securities, including payments under bond enhancement agreements, that becomes due during that fiscal year.

(c) Any dedication or appropriation of revenue to the credit of the state highway fund may not be modified so as to impair any outstanding bonds or other public securities secured by a pledge of that revenue unless provisions have been made for a full discharge of those securities.

(Added Sept. 13, 2003.)

(Text of section as proposed by Acts 2003, 78th Leg., R.S., S.J.R. No. 55.)

Sec. 49-n. GENERAL OBLIGATION BONDS AND NOTES FOR MILITARY VALUE REVOLVING LOAN ACCOUNT. (a) The legislature by general law may authorize one or more state agencies to issue general obligation bonds or notes of the State of Texas in an aggregate amount not to exceed $250 million and enter into related credit agreements. The proceeds from the sale of the bonds and notes shall be deposited in the Texas military value revolving loan account in the state treasury or its successor account to be used by one or more state agencies designated by the legislature by general law without further appropriation to provide loans for economic development projects that benefit defense-related communities, as

defined by the legislature by general law, including projects that enhance the military value of military installations located in the state.

(b) The expenses incurred in connection with the issuance of the bonds and notes and the costs of administering the Texas military value revolving loan account may be paid from money in the account. Money in the Texas military value revolving loan account may be used to pay all or part of any payment owed under a credit agreement related to the bonds or notes.

(c) A defense-related community receiving a loan from the Texas military value revolving loan account may use money from the account to capitalize interest on the loan.

(d) An agency providing a loan from the Texas military value revolving loan account to a defense-related community may require the defense-related community to pay any pro rata cost of issuing the general obligation bonds and notes.

(e) Bonds and notes authorized under this section are a general obligation of the state. While any of the bonds or notes or interest on the bonds or notes is outstanding and unpaid, there is appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, the amount sufficient to pay the principal of and interest on the bonds or notes that mature or become due during the fiscal year, including an amount sufficient to make payments under a related credit agreement, less any amounts in the interest and sinking accounts at the close of the preceding fiscal year that are pledged to payment of the bonds or notes or interest.

(Added Sept. 13, 2003.)

Sec. 49-o. TEXAS RAIL RELOCATION AND IMPROVEMENT FUND. (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

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.

(Added Nov. 8, 2005.)

Sec. 49-p. GENERAL OBLIGATION BONDS FOR HIGHWAY IMPROVEMENTS. (a) To provide funding for highway improvement projects, the legislature by general law may authorize the Texas Transportation Commission or its successor to issue general obligation bonds of the State of Texas in an aggregate amount not to exceed $5 billion and enter into related credit agreements. The bonds shall be executed in the form, on the terms, and in the denominations, bear interest, and be issued in installments as prescribed by the Texas Transportation Commission or its successor.

(b) A portion of the proceeds from the sale of the bonds and a portion of the interest earned on the bonds may be used to pay:

(1) the costs of administering projects authorized under this section;

(2) the cost or expense of the issuance of the bonds; and

(3) all or part of a payment owed or to be owed under a credit agreement.

(c) The bonds authorized under this section constitute a general obligation of the state. While any of the bonds or interest on the bonds is outstanding and unpaid, there is appropriated out of the first money coming into the treasury each fiscal year, not otherwise appropriated by this constitution, an amount sufficient to pay the principal of and interest on the bonds that mature or become due during the fiscal year, including an amount sufficient to make payments under a related credit agreement.

(d) Bonds issued under this section, after approval by the attorney general, registration by the comptroller of public accounts, and delivery to the purchasers, are incontestable and are general obligations of the State of Texas under this constitution. (Added Nov. 6, 2007.)

Sec. 49-q. TEXAS ENERGY FUND. (a) The Texas energy fund is created as a special fund in the state treasury outside the general revenue fund.

(b) As provided by general law, money in the Texas energy fund may be administered and used, without further appropriation, only by the Public Utility Commission of Texas or that commission's successor in function to provide loans and grants to any entity to finance or incentivize the construction, maintenance, modernization, and operation of electric generating facilities, including associated infrastructure, necessary to ensure the reliability or adequacy of an electric power grid in this state. The commission shall allocate money from the fund for loans and grants to eligible projects:

(1) for electric generating facilities that serve as backup power sources; and

(2) in each region of the state that is part of an electric power grid in proportion to that region's load share.

(c) The entity administering the Texas energy fund may establish separate accounts in the fund as necessary or convenient for the fund's administration.

(d) The Texas energy fund consists of:

(1) money credited, appropriated, or transferred to the fund by or as authorized by the legislature;

(2) revenue that the legislature dedicates for deposit to the credit of the fund;

(3) the returns received from the investment of the money in the fund; and

(4) gifts, grants, and donations contributed to the credit of the fund.

(e) The reasonable expenses of managing the Texas energy fund's assets shall be paid from the fund.

(f) The legislature by a provision of a general appropriations act may provide for the transfer to the general revenue fund of money that is subject to this section.

(g) The legislature may appropriate general revenue for the purpose of depositing money to the credit of the Texas energy fund to be used for the purposes of that fund.

(h) For purposes of Section 22, Article VIII, of this constitution:

(1) money in the Texas energy fund is dedicated by this constitution; and

(2) an appropriation of state tax revenues for the purpose of depositing money to the credit of the Texas energy fund is treated as if it were an appropriation of revenues dedicated by this constitution.

(Added Nov. 7, 2023.)

Sec. 50. LOAN OR PLEDGE OF CREDIT OF THE STATE. The Legislature shall have no power to give or to lend, or to authorize the giving or lending, of the credit of the State in aid of, or to any person, association or corporation, whether municipal or other, or to pledge the credit of the State in any manner whatsoever, for

the payment of the liabilities, present or prospective, of any individual, association of individuals, municipal or other corporation whatsoever.
(Feb. 15, 1876.)

Sec. 50a. (Repealed Nov. 5, 2013.)

Sec. 50b. (Repealed Nov. 2, 1999.)
(TEMPORARY TRANSITION PROVISIONS for Sec. 50b: See Appendix, Note 1.)

Sec. 50b-1. (Repealed Nov. 2, 1999.)
(TEMPORARY TRANSITION PROVISIONS for Sec. 50b-1: See Appendix, Note 1.)

Sec. 50b-2. (Repealed Nov. 2, 1999.)
(TEMPORARY TRANSITION PROVISIONS for Sec. 50b-2: See Appendix, Note 1.)

Sec. 50b-3. (Repealed Nov. 2, 1999.)
(TEMPORARY TRANSITION PROVISIONS for Sec. 50b-3: See Appendix, Note 1.)

Sec. 50b-4. ADDITIONAL STUDENT LOANS. (a) The legislature by general law may authorize the Texas Higher Education Coordinating Board or its successor or successors to issue and sell general obligation bonds of the State of Texas in an amount authorized by constitutional amendment or by a debt proposition under Section 49 of this article to finance educational loans to students who have been admitted to attend an institution of higher education within the State of Texas, public or private, which is recognized or accredited under terms and conditions prescribed by the Legislature.

(b) The bonds shall be executed in the form, on the terms, and in the denominations, bear interest, and be issued in installments as prescribed by the Texas Higher Education

Coordinating Board or its successor or successors.

(c) The maximum net effective interest rate to be borne by bonds issued under this section must be set by law.

(d) The legislature may provide for the investment of bond proceeds and may establish and provide for the investment of an interest and sinking fund to pay the bonds. Income from the investment shall be used for the purposes prescribed by the legislature.

(e) While any of the bonds issued under this section or interest on the bonds is outstanding and unpaid, there is appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, the amount sufficient to pay the principal of and interest on the bonds that mature or become due during the fiscal year, less any amount in an interest and sinking fund established under this section at the end of the preceding fiscal year that is pledged to the payment of the bonds or interest.

(f) Bonds issued under this section, after approval by the attorney general, registration by the comptroller of public accounts, and delivery to the purchasers, are incontestable.
(Added Nov. 7, 1995; Subsec. (a) amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 50b-4: See Appendix, Note 1.)

Sec. 50b-5. ADDITIONAL STUDENT LOANS. (a) The legislature by general law may authorize the Texas Higher Education Coordinating Board or its successor or successors to issue and sell general obligation bonds of the State of Texas in an amount not to exceed $400 million to finance educational loans to students. The bonds are in addition to those bonds issued under Sections 50b, 50b-1, 50b-2, 50b-3, and 50b-4 of this article.

(b) The bonds shall be executed in the form, on the terms, and in the denominations, bear interest, and be issued in installments as prescribed by the Texas Higher Education Coordinating Board or its successor or successors.

(c) The maximum net effective interest rate to be borne by bonds issued under this section may not exceed the maximum rate provided by law.

(d) The legislature may provide for the investment of bond proceeds and may establish and provide for the investment of an interest and sinking fund to pay the bonds. Income from the investment shall be used for the purposes prescribed by the legislature.

(e) While any of the bonds issued under this section or interest on the bonds is outstanding and unpaid, there is appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, the amount sufficient to pay the principal of and interest on the bonds that mature or become due during the fiscal year, less any amount in an interest and sinking fund established under this section at the end of the preceding fiscal year that is pledged to the payment of the bonds or interest.

(f) Bonds issued under this section, after approval by the attorney general, registration by the comptroller of public accounts, and delivery to the purchasers, are incontestable.

(Added Nov. 2, 1999.)

Sec. 50b-6. ADDITIONAL STUDENT LOANS. (a) The legislature by general law may authorize the Texas Higher Education Coordinating Board or its successor or successors to issue and sell general obligation bonds of the State of Texas in an amount not to exceed $500 million in order to finance educational loans to students in the manner provided by law. The bonds are in addition to bonds issued under Sections 50b-4 and 50b-5 of this article and under any other provision or former provision of this constitution authorizing similar bonds.

(b) The bonds shall be executed in the form, on the terms, and in the denominations, bear interest, and be issued in installments as prescribed by the Texas Higher Education Coordinating Board or its successor or successors.

(c) The maximum net effective interest rate to be borne by bonds issued under this section may not exceed the maximum rate provided by law.

(d) The legislature may provide for the investment of bond proceeds and may establish and provide for the investment of an

interest and sinking fund to pay the bonds. Income from the investment shall be used for the purposes prescribed by the legislature.

(e) Notwithstanding any other provision of this article, there is appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, the amount sufficient to pay the principal of and interest on any bonds issued under this section, under Sections 50b-4 and 50b-5 of this article, and under any other provision or former provision of this article authorizing similar bonds that mature or become due during the fiscal year, less any amount remaining in an interest and sinking fund established under this section, Section 50b-4 or 50b-5 of this article, or any other provision or former provision of this article authorizing similar bonds at the end of the preceding fiscal year that is pledged to the payment of the bonds or interest.

(f) Bonds issued under this section, after approval by the attorney general, registration by the comptroller of public accounts, and delivery to the purchasers, are incontestable.

(Added Nov. 6, 2007.)

Sec. 50b-6A. BOND ENHANCEMENT AGREEMENTS WITH RESPECT TO BONDS ISSUED FOR STUDENT LOANS. The legislature by general law may provide for the Texas Higher Education Coordinating Board or its successor or successors to enter into bond enhancement agreements with appropriate entities with respect to any bonds issued under Section 50b-4, 50b-5, or 50b-6 of this article or under any other provision or former provision of this article authorizing similar bonds. Payments due from the coordinating board under a bond enhancement agreement with respect to the principal of or interest on the bonds shall be treated for purposes of this constitution as payments of the principal of and interest on the bonds, and money appropriated for the purpose of paying the principal of and interest on the bonds as they mature or become due may be used to make payments under bond enhancement agreements authorized by this section with respect to the bonds.

(Added Nov. 6, 2007.)

Sec. 50b-7. CONTINUING AUTHORIZATION FOR ADDITIONAL BONDS FOR STUDENT LOANS. (a) The legislature by general law may authorize the Texas Higher Education Coordinating Board or its successor or successors to issue and sell general obligation bonds of the State of Texas for the purpose of financing educational loans to students in the manner provided by law. The principal amount of outstanding bonds issued under this section must at all times be equal to or less than the aggregate principal amount of state general obligation bonds previously authorized for that purpose by any other provision or former provision of this constitution.

(b) The bonds shall be executed in the form, on the terms, and in the denominations, bear interest, and be issued in installments as prescribed by the Texas Higher Education Coordinating Board or its successor or successors.

(c) The maximum net effective interest rate to be borne by bonds issued under this section may not exceed the maximum rate provided by law.

(d) The legislature may provide for the investment of bond proceeds and may establish and provide for the investment of an interest and sinking fund to pay the bonds. Income from the investment shall be used for the purposes prescribed by the legislature.

(e) While any of the bonds issued under this section or interest on the bonds is outstanding and unpaid, there is appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, the amount sufficient to pay the principal of and interest on the bonds that mature or become due during the fiscal year, less any amount in an interest and sinking fund established under this section at the end of the preceding fiscal year that is pledged to the payment of the bonds or interest.

(f) Bonds issued under this section, after approval by the attorney general, registration by the comptroller of public accounts, and delivery to the purchasers, are incontestable.

(Added Nov. 8, 2011.)

Sec. 50c. FARM AND RANCH LOAN SECURITY FUND. (a) The legislature may provide that the commissioner of agriculture shall have the authority to provide for, issue, and sell general obligation bonds of the State of Texas in an amount not to exceed $10 million. The bonds shall be called "Farm and Ranch Loan Security Bonds" and shall be executed in such form, denominations, and on such terms as may be prescribed by law. The bonds shall bear interest rates fixed by the Legislature of the State of Texas.

(b) All money received from the sale of Farm and Ranch Loan Security Bonds shall be deposited in a fund hereby created with the comptroller of public accounts to be known as the "Farm and Ranch Loan Security Fund." This fund shall be administered without further appropriation by the commissioner of agriculture in the manner prescribed by law.

(c) The Farm and Ranch Loan Security Fund shall be used by the commissioner of agriculture under provisions prescribed by the legislature for the purpose of guaranteeing loans used for the purchase of farm and ranch real estate, for acquiring real estate mortgages or deeds of trust on lands purchased with guaranteed loans, and to advance to the borrower a percentage of the principal and interest due on those loans; provided that the commissioner shall require at least six percent interest be paid by the borrower on any advance of principal and interest. The legislature may authorize the commissioner to sell at foreclosure any land acquired in this manner, and proceeds from that sale shall be deposited in the Farm and Ranch Loan Security Fund.

(d) The legislature may provide for the investment of money available in the Farm and Ranch Loan Security Fund and the interest and sinking fund established for the payment of bonds issued by the commissioner of agriculture. Income from the investment shall be used for purposes prescribed by the legislature.

(e) While any of the bonds authorized by this section or any interest on those bonds is outstanding and unpaid, there is hereby appropriated out of the first money coming into the treasury in each fiscal year not otherwise appropriated by this constitution an amount that is sufficient to pay the principal and interest on the bonds that mature or become due during the fiscal year less the

amount in the interest and sinking fund at the close of the prior fiscal year.

(Added Nov. 6, 1979; Subsec. (b) amended Nov. 7, 1995.)

Sec. 50-d. AGRICULTURAL WATER CONSERVATION FUND. (a) On a two-thirds vote of the members elected to each house of the legislature, the Texas Water Development Board may issue and sell Texas agricultural water conservation bonds in an amount not to exceed $200 million.

(b) The proceeds from the sale of Texas agricultural water conservation bonds shall be deposited in a fund created in the state treasury to be known as the agricultural water conservation fund.

(c) Texas agricultural water conservation bonds are general obligations of the State of Texas. During the time that Texas agricultural water conservation bonds or any interest on those bonds is outstanding or unpaid, there is appropriated out of the first money coming into the state treasury in each fiscal year, not otherwise appropriated by this constitution, an amount that is sufficient to pay the principal of and interest on those bonds that mature or become due during that fiscal year.

(d) The terms, conditions, provisions, and procedures for issuance and sale and management of proceeds of Texas agricultural water conservation bonds shall be provided by law.

(e) (Repealed.)

(Added Nov. 5, 1985; Subsec. (e) repealed Nov. 7, 1989; Subsec. (c) amended Nov. 4, 1997.)

Sec. 50-e. GUARANTEE OF TEXAS GRAIN WAREHOUSE SELF-INSURANCE FUND. (a) For the purposes of providing surety for the Texas grain warehouse self-insurance fund, the legislature by general law may establish or provide for a guarantee of the fund not to exceed $5 million.

(b) At the beginning of the fiscal year after the fund reaches $5 million, as certified by the comptroller of public accounts, the guarantee of the fund shall cease and this provision shall expire.

(c) Should the legislature enact any enabling laws in

anticipation of this amendment, no such law shall be void by reason of its anticipating nature.

(d) If the provisions of this section conflict with any other provisions of this constitution, the provisions of this section shall prevail.

(Added Nov. 3, 1987.)

Sec. 50-f. GENERAL OBLIGATION BONDS FOR CONSTRUCTION AND REPAIR PROJECTS AND FOR PURCHASE OF EQUIPMENT. (a) The legislature by general law may authorize the Texas Public Finance Authority to provide for, issue, and sell general obligation bonds of the State of Texas in an amount not to exceed $850 million and to enter into related credit agreements. The bonds shall be executed in the form, on the terms, and in the denominations, bear interest, and be issued in installments as prescribed by the Texas Public Finance Authority.

(b) Proceeds from the sale of the bonds shall be deposited in a separate fund or account within the state treasury created by the comptroller for this purpose. Money in the separate fund or account may be used only to pay for:

(1) construction and repair projects authorized by the legislature by general law or the General Appropriations Act and administered by or on behalf of the General Services Commission, the Texas Youth Commission, the Texas Department of Criminal Justice, the Texas Department of Mental Health and Mental Retardation, the Parks and Wildlife Department, the adjutant general's department, the Texas School for the Deaf, the Department of Agriculture, the Department of Public Safety of the State of Texas, the State Preservation Board, the Texas Department of Health, the Texas Historical Commission, or the Texas School for the Blind and Visually Impaired; or

(2) the purchase, as authorized by the legislature by general law or the General Appropriations Act, of needed equipment by or on behalf of a state agency listed in Subdivision (1) of this subsection.

(c) The maximum net effective interest rate to be borne by bonds issued under this section may be set by general law.

(d) While any of the bonds or interest on the bonds authorized by this section is outstanding and unpaid, from the first money coming into the state treasury in each fiscal year not otherwise appropriated by this constitution, an amount sufficient to pay the principal and interest on bonds that mature or become due during the fiscal year and to make payments that become due under a related credit agreement during the fiscal year is appropriated, less the amount in the sinking fund at the close of the previous fiscal year.

(e) Bonds issued under this section, after approval by the attorney general, registration by the comptroller of public accounts, and delivery to the purchasers, are incontestable and are general obligations of the State of Texas under this constitution. (Added Nov. 6, 2001.)

Sec. 50-g. GENERAL OBLIGATION BONDS FOR MAINTENANCE, IMPROVEMENT, REPAIR, OR CONSTRUCTION PROJECTS AND FOR PURCHASE OF EQUIPMENT. (a) The legislature by general law may authorize the Texas Public Finance Authority to provide for, issue, and sell general obligation bonds of the State of Texas in an amount not to exceed $1 billion and to enter into related credit agreements. The bonds shall be executed in the form, on the terms, and in the denominations, bear interest, and be issued in installments as prescribed by the Texas Public Finance Authority.

(b) Proceeds from the sale of the bonds shall be deposited in a separate fund or account within the state treasury created by the comptroller of public accounts for this purpose. Money in the separate fund or account may be used only to pay for:

(1) maintenance, improvement, repair, or construction projects authorized by the legislature by general law or the General Appropriations Act and administered by or on behalf of the Texas Building and Procurement Commission, the Parks and Wildlife Department, the adjutant general's department, the Department of State Health Services, the Department of Aging and Disability Services, the Texas School for the Blind and Visually Impaired, the Texas Youth Commission, the Texas Historical Commission, the Texas Department of Criminal Justice, the Texas School for the Deaf, or

the Department of Public Safety of the State of Texas; or

(2) the purchase, as authorized by the legislature by general law or the General Appropriations Act, of needed equipment by or on behalf of a state agency listed in Subdivision (1) of this subsection.

(c) The maximum net effective interest rate to be borne by bonds issued under this section may be set by general law.

(d) While any of the bonds or interest on the bonds authorized by this section is outstanding and unpaid, from the first money coming into the state treasury in each fiscal year not otherwise appropriated by this constitution, an amount sufficient to pay the principal and interest on bonds that mature or become due during the fiscal year and to make payments that become due under a related credit agreement during the fiscal year is appropriated, less the amount in the sinking fund at the close of the previous fiscal year.

(e) Bonds issued under this section, after approval by the attorney general, registration by the comptroller of public accounts, and delivery to the purchasers, are incontestable and are general obligations of the State of Texas under this constitution.
(Added Nov. 6, 2007.)

Sec. 51. GRANTS OF PUBLIC MONEY PROHIBITED. The Legislature shall have no power to make any grant or authorize the making of any grant of public moneys to any individual, association of individuals, municipal or other corporations whatsoever; provided that the provisions of this Section shall not be construed so as to prevent the grant of aid in cases of public calamity.
(Feb. 15, 1876. Amended Nov. 6, 1894, Nov. 1, 1898, Nov. 8, 1904, Nov. 8, 1910, Nov. 5, 1912, Nov. 4, 1924, Nov. 6, 1928, Nov. 5, 1968, and Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 51: See Appendix, Note 1.)

Sec. 51-a. ASSISTANCE GRANTS, MEDICAL CARE, AND CERTAIN OTHER SERVICES FOR NEEDY PERSONS; FEDERAL MATCHING FUNDS. (a) The Legislature shall have the power, by General Laws, to provide, subject to limitations herein contained, and such other

limitations, restrictions and regulations as may by the Legislature be deemed expedient, for assistance grants to needy dependent children and the caretakers of such children, needy persons who are totally and permanently disabled because of a mental or physical handicap, needy aged persons and needy blind persons.

(b) The Legislature may provide by General Law for medical care, rehabilitation and other similar services for needy persons. The Legislature may prescribe such other eligibility requirements for participation in these programs as it deems appropriate and may make appropriations out of state funds for such purposes. The maximum amount paid out of state funds for assistance grants,† to or on behalf of needy dependent children and their caretakers shall not exceed one percent of the state budget. The Legislature by general statute shall provide for the means for determining the state budget amounts, including state and other funds appropriated by the Legislature, to be used in establishing the biennial limit.

(c) Provided further, that if the limitations and restrictions herein contained are found to be in conflict with the provisions of appropriate federal statutes, as they now are or as they may be amended to the extent that federal matching money is not available to the state for these purposes, then and in that event the Legislature is specifically authorized and empowered to prescribe such limitations and restrictions and enact such laws as may be necessary in order that such federal matching money will be available for assistance and/or medical care for or on behalf of needy persons.

(d) Nothing in this Section shall be construed to amend, modify or repeal Section 31 of Article XVI of this Constitution; provided further, however, that such medical care, services or assistance shall also include the employment of objective or subjective means, without the use of drugs, for the purpose of ascertaining and measuring the powers of vision of the human eye, and fitting lenses or prisms to correct or remedy any defect or abnormal condition of vision. Nothing herein shall be construed to permit optometrists to treat the eyes for any defect whatsoever in any manner nor to administer nor to prescribe any drug or physical treatment whatsoever, unless such optometrist is a regularly

licensed physician or surgeon under the laws of this state.
(Added Aug. 26, 1933; amended Aug. 25, 1945, Nov. 2, 1954, Nov. 5, 1957, Nov. 6, 1962, Nov. 9, 1963, Nov. 2, 1965, Aug. 5, 1969, Nov. 2, 1982, and Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 51-a: See Appendix, Note 1.)
† The language of this provision is identical to the language of the official legislative measure that originally proposed the provision. A digital image of the original text of the official enrolled measure can be found here.

Sec. 51-a-1. FINANCIAL ASSISTANCE TO LOCAL FIRE DEPARTMENTS AND OTHER PUBLIC FIRE-FIGHTING ORGANIZATIONS. (a) The legislature by general law may authorize the use of public money to provide to local fire departments and other public fire-fighting organizations:

(1) loans or other financial assistance to purchase fire-fighting equipment and to aid in providing necessary equipment and facilities to comply with federal and state law; and

(2) scholarships and grants to educate and train the members of local fire departments and other public fire-fighting organizations.

(b) A portion of the money used under this section may be used for the administrative costs of the program. The legislature shall provide for the terms and conditions of scholarships, grants, loans, and other financial assistance to be provided under this section.
(Added Nov. 7, 1989.)

Sec. 51-b. (Repealed Nov. 7, 1978.)

Sec. 51-c. AID OR COMPENSATION TO PERSONS IMPROPERLY FINED OR IMPRISONED. The Legislature may grant aid and compensation to any person who has heretofore paid a fine or served a sentence in prison, or who may hereafter pay a fine or serve a sentence in prison, under the laws of this State for an offense for which he or she is not guilty, under such regulations and limitations as the

Legislature may deem expedient.

(Added Nov. 6, 1956.)

Sec. 51-d. ASSISTANCE TO SURVIVORS OF PUBLIC SERVANT SUFFERING DEATH IN PERFORMANCE OF HAZARDOUS DUTY. The Legislature shall have the power, by general law, to provide for the payment of assistance by the State of Texas to the surviving spouse, minor children, and surviving dependent parents, brothers, and sisters of officers, employees, and agents, including members of organized volunteer fire departments and members of organized police reserve or auxiliary units with authority to make an arrest, of the state or of any city, county, district, or other political subdivision who, because of the hazardous nature of their duties, suffer death in the course of the performance of those official duties. Should the Legislature enact any enabling laws in anticipation of this amendment, no such law shall be void by reason of its anticipatory nature.

(Added Nov. 8, 1966; amended Aug. 5, 1969, and Nov. 6, 1984.)

Sec. 51-e. (Repealed April 22, 1975.)

Sec. 51-f. (Repealed April 22, 1975.)

Sec. 51g. SOCIAL SECURITY COVERAGE OF PROPRIETARY EMPLOYEES OF POLITICAL SUBDIVISIONS. The Legislature shall have the power to pass such laws as may be necessary to enable the State to enter into agreements with the Federal Government to obtain for proprietary employees of its political subdivisions coverage under the old-age and survivors insurance provisions of Title II of the Federal Social Security Act as amended. The Legislature shall have the power to make appropriations and authorize all obligations necessary to the establishment of such Social Security coverage program.

(Added Nov. 2, 1954.)

Sec. 52. RESTRICTIONS ON LENDING CREDIT OR MAKING GRANTS BY POLITICAL CORPORATIONS OR POLITICAL SUBDIVISIONS; AUTHORIZED BONDS; INVESTMENT OF FUNDS. (a) Except as otherwise provided by this section, the Legislature shall have no power to authorize any county, city, town or other political corporation or subdivision of the State to lend its credit or to grant public money or thing of value in aid of, or to any individual, association or corporation whatsoever, or to become a stockholder in such corporation, association or company. However, this section does not prohibit the use of public funds or credit for the payment of premiums on nonassessable property and casualty, life, health, or accident insurance policies and annuity contracts issued by a mutual insurance company authorized to do business in this State.

(b) Under Legislative provision, any county, political subdivision of a county, number of adjoining counties, political subdivision of the State, or defined district now or hereafter to be described and defined within the State of Texas, and which may or may not include, towns, villages or municipal corporations, upon a vote of two-thirds majority of the voting qualified voters of such district or territory to be affected thereby, may issue bonds or otherwise lend its credit in any amount not to exceed one-fourth of the assessed valuation of the real property of such district or territory, except that the total bonded indebtedness of any city or town shall never exceed the limits imposed by other provisions of this Constitution, and levy and collect taxes to pay the interest thereon and provide a sinking fund for the redemption thereof, as the Legislature may authorize, and in such manner as it may authorize the same, for the following purposes to wit:

(1) The improvement of rivers, creeks, and streams to prevent overflows, and to permit of navigation thereof, or irrigation thereof, or in aid of such purposes.

(2) The construction and maintenance of pools, lakes, reservoirs, dams, canals and waterways for the purposes of irrigation, drainage or navigation, or in aid thereof.

(3) The construction, maintenance and operation of macadamized, graveled or paved roads and turnpikes, or in aid thereof.

(c) Notwithstanding the provisions of Subsection (b) of this Section, bonds may be issued by any county in an amount not to exceed one-fourth of the assessed valuation of the real property in the county, for the construction, maintenance, and operation of macadamized, graveled, or paved roads and turnpikes, or in aid thereof, upon a vote of a majority of the voting qualified voters of the county, and without the necessity of further or amendatory legislation. The county may levy and collect taxes to pay the interest on the bonds as it becomes due and to provide a sinking fund for redemption of the bonds.

(d) Any defined district created under this section that is authorized to issue bonds or otherwise lend its credit for the purposes stated in Subdivisions (1) and (2) of Subsection (b) of this section may engage in fire-fighting activities and may issue bonds or otherwise lend its credit for fire-fighting purposes as provided by law and this constitution.

(e) A county, city, town, or other political corporation or subdivision of the state may invest its funds as authorized by law. (Feb. 15, 1876. Amended Nov. 8, 1904; Subsecs. (a) and (b) amended and (c) added Nov. 3, 1970; Subsec. (d) added Nov. 7, 1978; Subsec. (a) amended Nov. 4, 1986; Subsec. (e) added Nov. 7, 1989; Subsecs. (a), (b), and (c) amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 52: See Appendix, Note 1.)

Sec. 52-a. PROGRAMS AND LOANS OR GRANTS OF PUBLIC MONEY FOR ECONOMIC DEVELOPMENT. Notwithstanding any other provision of this constitution, the legislature may provide for the creation of programs and the making of loans and grants of public money, other than money otherwise dedicated by this constitution to use for a different purpose, for the public purposes of development and diversification of the economy of the state, the elimination of unemployment or underemployment in the state, the stimulation of agricultural innovation, the fostering of the growth of enterprises based on agriculture, or the development or expansion of transportation or commerce in the state. Any bonds or other obligations of a county, municipality, or other political subdivision of the state that are issued for the purpose of making

loans or grants in connection with a program authorized by the legislature under this section and that are payable from ad valorem taxes must be approved by a vote of the majority of the registered voters of the county, municipality, or political subdivision voting on the issue. A program created or a loan or grant made as provided by this section that is not secured by a pledge of ad valorem taxes or financed by the issuance of any bonds or other obligations payable from ad valorem taxes of the political subdivision does not constitute or create a debt for the purpose of any provision of this constitution. An enabling law enacted by the legislature in anticipation of the adoption of this amendment is not void because of its anticipatory character.
(Added Nov. 3, 1987; amended Nov. 8, 2005.)

Sec. 52-b. LOAN OF STATE'S CREDIT, GRANT OF PUBLIC MONEY, OR ASSUMPTION OF DEBT FOR TOLL ROAD PURPOSES. The Legislature shall have no power or authority to in any manner lend the credit of the State or grant any public money to, or assume any indebtedness, present or future, bonded or otherwise, of any individual, person, firm, partnership, association, corporation, public corporation, public agency, or political subdivision of the State, or anyone else, which is now or hereafter authorized to construct, maintain or operate toll roads and turnpikes within this State except that the Legislature may authorize the Texas Department of Transportation to expend, grant, or loan money, from any source available, for the acquisition, construction, maintenance, or operation of turnpikes, toll roads, and toll bridges.
(Added Nov. 2, 1954; amended Nov. 5, 1991, and Nov. 6, 2001.)

Sec. 52-c. (Blank.)

Sec. 52d. COUNTY OR ROAD DISTRICT TAX FOR ROAD AND BRIDGE PURPOSES IN HARRIS COUNTY. (a) Upon the vote of a majority of the qualified voters so authorizing, a county or road district may collect an annual tax for a period not exceeding five (5) years to create a fund for constructing lasting and permanent roads and

bridges or both. No contract involving the expenditure of any of such fund shall be valid unless, when it is made, money shall be on hand in such fund.

(b) At such election, the Commissioners' Court shall submit for adoption a road plan and designate the amount of special tax to be levied; the number of years said tax is to be levied; the location, description, and character of the roads and bridges; and the estimated cost thereof. The funds raised by such taxes shall not be used for purposes other than those specified in the plan submitted to the voters. Elections may be held from time to time to extend or discontinue said plan or to increase or diminish said tax. The Legislature shall enact laws prescribing the procedure hereunder.

(c) The provisions of this section shall apply only to Harris County and road districts therein.

(Added Aug. 23, 1937; amended Nov. 2, 1999.) (TEMPORARY TRANSITION PROVISIONS for Sec. 52d: See Appendix, Note 1.)

Sec. 52e. COUNTY PAYMENT OF MEDICAL EXPENSES OF LAW ENFORCEMENT OFFICIALS. Each county in the State of Texas is hereby authorized to pay all medical expenses, all doctor bills and all hospital bills for Sheriffs, Deputy Sheriffs, Constables, Deputy Constables and other county and precinct law enforcement officials who are injured in the course of their official duties; providing that while said Sheriff, Deputy Sheriff, Constable, Deputy Constable or other county or precinct law enforcement official is hospitalized or incapacitated that the county shall continue to pay his maximum salary; providing, however, that said payment of salary shall cease on the expiration of the term of office to which such official was elected or appointed. Provided, however, that no provision contained herein shall be construed to amend, modify, repeal or nullify Article 16, Section 31, of the Constitution of the State of Texas.

(Added Nov. 11, 1967.)

Sec. 52f. PRIVATE ROAD WORK BY COUNTIES WITH POPULATION OF 7,500 OR LESS. A county with a population of 7,500 or less,

according to the most recent federal census, may construct and maintain private roads if it imposes a reasonable charge for the work. The Legislature by general law may limit this authority. Revenue received from private road work may be used only for the construction, including right-of-way acquisition, or maintenance of public roads.

(Added Nov. 4, 1980; amended Nov. 3, 2015.)

Sec. 52g. DALLAS COUNTY BOND ISSUES FOR ROADS AND TURNPIKES. Bonds to be issued by Dallas County under Section 52(b)(3) of Article III of this Constitution may, without the necessity of further or amendatory legislation, be issued upon a vote of a majority of the voting qualified voters of said county, and bonds heretofore or hereafter issued under Subsections (a) and (b) of said Section 52 shall not be included in determining the debt limit prescribed in said Section.

(Added Nov. 5, 1968; amended Nov. 4, 1997, and Nov. 2, 1999.)

(TEMPORARY TRANSITION PROVISIONS for Sec. 52g: See Appendix, Note 1.)

Sec. 52h. DONATIONS BY MUNICIPALITIES OF OUTDATED OR SURPLUS FIRE FIGHTING EQUIPMENT TO UNDERDEVELOPED COUNTRIES. A municipality may donate to an underdeveloped country outdated or surplus equipment, supplies, or other materials used in fighting fires.

(Added Nov. 6, 2001.)

Sec. 52i. DONATIONS BY MUNICIPALITIES OF SURPLUS FIRE FIGHTING EQUIPMENT FOR RURAL FIRE PROTECTION. (a) A municipality may donate surplus equipment, supplies, or other materials used in fighting fires to the Texas Forest Service or to a successor agency authorized to cooperate in the development of rural fire protection plans.

(b) The Texas Forest Service or the successor agency may, based on need, redistribute to rural volunteer fire departments the equipment, supplies, or materials donated under Subsection (a).

(Added Sept. 13, 2003.)

Sec. 52j. SALE OF REAL PROPERTY ACQUIRED THROUGH EMINENT DOMAIN. A governmental entity may sell real property acquired through eminent domain to the person who owned the real property interest immediately before the governmental entity acquired the property interest, or to the person's heirs, successors, or assigns, at the price the entity paid at the time of acquisition if:

(1) the public use for which the property was acquired through eminent domain is canceled;

(2) no actual progress is made toward the public use during a prescribed period of time; or

(3) the property is unnecessary for the public use.

(Added Nov. 6, 2007.)

Sec. 52k. COUNTY OR MUNICIPAL BONDS OR NOTES TO ACQUIRE LAND ADJACENT TO MILITARY INSTALLATIONS. The legislature by general law may authorize a municipality or county to issue bonds or notes to finance the acquisition of buffer areas or open spaces adjacent to a military installation for the prevention of encroachment or for the construction of roadways, utilities, or other infrastructure to protect or promote the mission of the military installation. The municipality or county may pledge increases in ad valorem tax revenues imposed in the area by the municipality, county, or other political subdivisions for repayment of the bonds or notes.

(Added Nov. 3, 2009.)

Sec. 52l. DONATION OF LAW ENFORCEMENT ANIMAL. The legislature may authorize a state agency or a county, a municipality, or other political subdivision to transfer a law enforcement dog, horse, or other animal to the animal's handler or another qualified caretaker for no consideration on the animal's retirement or at another time if the transfer is in the animal's best interest.

(Added Nov. 5, 2019.)

Sec. 53. PAYMENT OF EXTRA COMPENSATION OR UNAUTHORIZED

CLAIMS PROHIBITED. The Legislature shall have no power to grant, or to authorize any county or municipal authority to grant, any extra compensation, fee or allowance to a public officer, agent, servant or contractor, after service has been rendered, or a contract has been entered into, and performed in whole or in part; nor pay, nor authorize the payment of, any claim created against any county or municipality of the State, under any agreement or contract, made without authority of law.
(Feb. 15, 1876.)

Sec. 54. (Repealed Nov. 2, 1999.)
(TEMPORARY TRANSITION PROVISIONS for Sec. 54: See Appendix, Note 1.)

Sec. 55. RELEASE OR EXTINGUISHMENT OF INDEBTEDNESS TO STATE, COUNTY, SUBDIVISION, OR MUNICIPAL CORPORATION. The Legislature shall have no power to release or extinguish, or to authorize the releasing or extinguishing, in whole or in part, the indebtedness, liability or obligation of any corporation or individual, to this State or to any county or defined subdivision thereof, or other municipal corporation therein, except delinquent taxes which have been due for a period of at least ten years.
(Feb. 15, 1876. Amended Nov. 8, 1932.)

Sec. 56. PROHIBITED LOCAL AND SPECIAL LAWS. (a) The Legislature shall not, except as otherwise provided in this Constitution, pass any local or special law, authorizing:

(1) the creation, extension or impairing of liens;

(2) regulating the affairs of counties, cities, towns, wards or school districts;

(3) changing the names of persons or places;

(4) changing the venue in civil or criminal cases;

(5) authorizing the laying out, opening, altering or maintaining of roads, highways, streets or alleys;

(6) relating to ferries or bridges, or incorporating ferry or bridge companies, except for the erection of bridges crossing streams which form boundaries between this and any other

State;

(7) vacating roads, town plats, streets or alleys;

(8) relating to cemeteries, grave-yards or public grounds not of the State;

(9) authorizing the adoption or legitimation of children;

(10) locating or changing county seats;

(11) incorporating cities, towns or villages, or changing their charters;

(12) for the opening and conducting of elections, or fixing or changing the places of voting;

(13) granting divorces;

(14) creating offices, or prescribing the powers and duties of officers, in counties, cities, towns, election or school districts;

(15) changing the law of descent or succession;

(16) regulating the practice or jurisdiction of, or changing the rules of evidence in any judicial proceeding or inquiry before courts, justices of the peace, sheriffs, commissioners, arbitrators or other tribunals, or providing or changing methods for the collection of debts, or the enforcing of judgments, or prescribing the effect of judicial sales of real estate;

(17) regulating the fees, or extending the powers and duties of aldermen, justices of the peace, magistrates or constables;

(18) regulating the management of public schools, the building or repairing of school houses, and the raising of money for such purposes;

(19) fixing the rate of interest;

(20) affecting the estates of minors, or persons under disability;

(21) remitting fines, penalties and forfeitures, and refunding moneys legally paid into the treasury;

(22) exempting property from taxation;

(23) regulating labor, trade, mining and manufacturing;

(24) declaring any named person of age;

(25) extending the time for the assessment or collection of taxes, or otherwise relieving any assessor or collector of taxes from the due performance of his official duties, or his securities from liability;

(26) giving effect to informal or invalid wills or deeds;

(27) summoning or empanelling grand or petit juries;

(28) for limitation of civil or criminal actions;

(29) for incorporating railroads or other works of internal improvements; or

(30) relieving or discharging any person or set of persons from the performance of any public duty or service imposed by general law.

(b) In addition to those laws described by Subsection (a) of this section in all other cases where a general law can be made applicable, no local or special law shall be enacted; provided, that nothing herein contained shall be construed to prohibit the Legislature from passing:

(1) special laws for the preservation of the game and fish of this State in certain localities; and

(2) fence laws applicable to any subdivision of this State or counties as may be needed to meet the wants of the people. (Feb. 15, 1876. Amended Nov. 6, 2001.) (TEMPORARY TRANSITION PROVISION for Sec. 56: See Appendix, Note 3.)

Sec. 57. NOTICE OF INTENTION TO APPLY FOR LOCAL OR SPECIAL LAW. No local or special law shall be passed, unless notice of the intention to apply therefor shall have been published in the locality where the matter or thing to be affected may be situated, which notice shall state the substance of the contemplated law, and shall be published at least thirty days prior to the introduction into the Legislature of such bill and in the manner to be provided by law. The evidence of such notice having been published, shall be exhibited in the Legislature, before such act shall be passed. (Feb. 15, 1876.)

Sec. 58. SEAT OF GOVERNMENT. The Legislature shall hold its sessions at the City of Austin, which is hereby declared to be the seat of government.
(Feb. 15, 1876.)

Sec. 59. WORKERS' COMPENSATION INSURANCE FOR STATE EMPLOYEES. The Legislature shall have power to pass such laws as may be necessary to provide for Workers' Compensation Insurance for such State employees, as in its judgment is necessary or required; and to provide for the payment of all costs, charges, and premiums on such policies of insurance; providing the State shall never be required to purchase insurance for any employee.
(Added Nov. 3, 1936; amended Nov. 6, 2001.) (TEMPORARY TRANSITION PROVISION for Sec. 59: See Appendix, Note 3.)

Sec. 60. WORKERS' COMPENSATION INSURANCE FOR EMPLOYEES OF POLITICAL SUBDIVISIONS. The Legislature shall have the power to pass such laws as may be necessary to enable all counties, cities, towns, villages, and other political subdivisions of this State to provide Workers' Compensation Insurance, including the right of a political subdivision to provide its own insurance risk, for all employees of the political subdivision as in its judgment is necessary or required; and the Legislature shall provide suitable laws for the administration of such insurance in the counties, cities, towns, villages, or other political subdivisions of this State and for the payment of the costs, charges and premiums on such policies of insurance and the benefits to be paid thereunder.
(Added Nov. 2, 1948; amended Nov. 6, 1962, and Nov. 6, 2001.)
(TEMPORARY TRANSITION PROVISION for Sec. 60: See Appendix, Note 3.)

Sec. 61. (Repealed Nov. 6, 2001.)
(TEMPORARY TRANSITION PROVISION for Sec. 61: See Appendix, Note 3.)

Sec. 61-a. MINIMUM SALARIES OF CERTAIN STATE OFFICERS. The Legislature shall not fix the salary of the Governor, Attorney General, Comptroller of Public Accounts, Commissioner of the General Land Office or Secretary of State at a sum less than that

fixed for such officials in the Constitution on January 1, 1953. (Added Nov. 2, 1954; amended Nov. 7, 1995, and Nov. 4, 1997.)

Sec. 62. CONTINUITY OF STATE AND LOCAL GOVERNMENTAL OPERATIONS FOLLOWING ENEMY ATTACK. (a) The Legislature, in order to insure continuity of state and local governmental operations in periods of emergency resulting from disasters caused by enemy attack, shall have the power and the immediate duty to provide for prompt and temporary succession to the powers and duties of public offices, of whatever nature and whether filled by election or appointment, the incumbents of which may become unavailable for carrying on the powers and duties of such offices. Provided, however, that Article I of the Constitution of Texas, known as the "Bill of Rights" shall not be in any manner affected, amended, impaired, suspended, repealed or suspended hereby.

(b) When such a period of emergency or the immediate threat of enemy attack exists, the Legislature may suspend procedural rules imposed by this Constitution that relate to:

(1) the order of business of the Legislature;

(2) the percentage of each house of the Legislature necessary to constitute a quorum;

(3) the requirement that a bill must be read on three days in each house before it has the force of law;

(4) the requirement that a bill must be referred to and reported from committee before its consideration; and

(5) the date on which laws passed by the Legislature take effect.

(c) When such a period of emergency or the immediate threat of enemy attack exists, the Governor, after consulting with the Lieutenant Governor and the Speaker of the House of Representatives, may suspend the constitutional requirement that the Legislature hold its sessions in Austin, the seat of government. When this requirement has been suspended, the Governor shall determine a place other than Austin at which the Legislature will hold its sessions during such period of emergency or immediate threat of enemy attack. The Governor shall notify the Lieutenant Governor and the Speaker of the House of Representatives of the

place and time at which the Legislature will meet. The Governor may take security precautions, consistent with the state of emergency, in determining the extent to which that information may be released.

(d) To suspend the constitutional rules specified by Subsection (b) of this section, the Governor must issue a proclamation and the House of Representatives and the Senate must concur in the proclamation as provided by this section.

(e) The Governor's proclamation must declare that a period of emergency resulting from disasters caused by enemy attack exists, or that the immediate threat of enemy attack exists, and that suspension of constitutional rules relating to legislative procedure is necessary to assure continuity of state government. The proclamation must specify the period, not to exceed two years, during which the constitutional rules specified by Subsection (b) of this section are suspended.

(f) The House of Representatives and the Senate, by concurrent resolution approved by the majority of the members present, must concur in the Governor's proclamation. A resolution of the House of Representatives and the Senate concurring in the Governor's proclamation suspends the constitutional rules specified by Subsection (b) of this section for the period of time specified by the Governor's proclamation.

(g) The constitutional rules specified by Subsection (b) of this section may not be suspended for more than two years under a single proclamation. A suspension may be renewed, however, if the Governor issues another proclamation as provided by Subsection (e) of this section and the House of Representatives and the Senate, by concurrent resolution, concur in that proclamation.

(Added Nov. 6, 1962; Subsec. (a) amended and (b)-(g) added Nov. 8, 1983.)

Sec. 63. (Repealed Nov. 6, 2001.)

(TEMPORARY TRANSITION PROVISION for Sec. 63: See Appendix, Note 3.)

Sec. 64. CONSOLIDATION OF OFFICES AND FUNCTIONS OF POLITICAL SUBDIVISIONS; CONTRACTS BETWEEN POLITICAL SUBDIVISIONS.

(a) The Legislature may by special statute provide for consolidation of governmental offices and functions of government of any one or more political subdivisions comprising or located within any county. Any such statute shall require an election to be held within the political subdivisions affected thereby with approval by a majority of the voters in each of these subdivisions, under such terms and conditions as the Legislature may require.

(b) The county government, or any political subdivision(s) comprising or located therein, may contract one with another for the performance of governmental functions required or authorized by this Constitution or the Laws of this State, under such terms and conditions as the Legislature may prescribe. No person acting under a contract made pursuant to this Subsection (b) shall be deemed to hold more than one office of honor, trust or profit or more than one civil office of emolument. The term "governmental functions," as it relates to counties, includes all duties, activities and operations of statewide importance in which the county acts for the State, as well as of local importance, whether required or authorized by this Constitution or the Laws of this State.

(Added Nov. 5, 1968; Subsec. (a) amended Nov. 3, 1970.)

Sec. 65. MAXIMUM INTEREST RATE ON PUBLIC BONDS. (a) Wherever the Constitution authorizes an agency, instrumentality, or subdivision of the State to issue bonds and specifies the maximum rate of interest which may be paid on such bonds issued pursuant to such constitutional authority, such bonds may bear interest at rates not to exceed a weighted average annual interest rate of 12% unless otherwise provided by Subsection (b) of this section. All Constitutional provisions specifically setting rates in conflict with this provision are hereby repealed.

(b) Bonds issued by the Veterans' Land Board after the effective date of this subsection bear interest at a rate or rates determined by the board, but the rate or rates may not exceed a net effective interest rate of 10% per year unless otherwise provided by law. A statute that is in effect on the effective date of this subsection and that sets as a maximum interest rate payable on bonds

issued by the Veterans' Land Board a rate different from the maximum rate provided by this subsection is ineffective unless reenacted by the legislature after that date.

(Added Nov. 7, 1972; Subsec. (a) amended and (b) added Nov. 3, 1981; Subsec. (a) amended Nov. 2, 1982.)

Sec. 66. LIMITATION OF LIABILITY FOR NONECONOMIC DAMAGES. (a) In this section "economic damages" means compensatory damages for any pecuniary loss or damage. The term does not include any loss or damage, however characterized, for past, present, and future physical pain and suffering, mental anguish and suffering, loss of consortium, loss of companionship and society, disfigurement, or physical impairment.

(b) Notwithstanding any other provision of this constitution, the legislature by statute may determine the limit of liability for all damages and losses, however characterized, other than economic damages, of a provider of medical or health care with respect to treatment, lack of treatment, or other claimed departure from an accepted standard of medical or health care or safety, however characterized, that is or is claimed to be a cause of, or that contributes or is claimed to contribute to, disease, injury, or death of a person. This subsection applies without regard to whether the claim or cause of action arises under or is derived from common law, a statute, or other law, including any claim or cause of action based or sounding in tort, contract, or any other theory or any combination of theories of liability. The claim or cause of action includes a medical or health care liability claim as defined by the legislature.

(c) Notwithstanding any other provision of this constitution, after January 1, 2005, the legislature by statute may determine the limit of liability for all damages and losses, however characterized, other than economic damages, in a claim or cause of action not covered by Subsection (b) of this section. This subsection applies without regard to whether the claim or cause of action arises under or is derived from common law, a statute, or other law, including any claim or cause of action based or sounding in tort, contract, or any other theory or any combination of

theories of liability.

(d) Except as provided by Subsection (c) of this section, this section applies to a law enacted by the 78th Legislature, Regular Session, 2003, and to all subsequent regular or special sessions of the legislature.

(e) A legislative exercise of authority under Subsection (c) of this section requires a three-fifths vote of all the members elected to each house and must include language citing this section.

(Added Sept. 13, 2003.)

Sec. 67. CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS; BONDS. (a) The legislature shall establish the Cancer Prevention and Research Institute of Texas to:

(1) make grants to provide funds to public or private persons to implement the Texas Cancer Plan, and to institutions of learning and to advanced medical research facilities and collaborations in this state for:

(A) research into the causes of and cures for all forms of cancer in humans;

(B) facilities for use in research into the causes of and cures for cancer; and

(C) research, including translational research, to develop therapies, protocols, medical pharmaceuticals, or procedures for the cure or substantial mitigation of all types of cancer in humans;

(2) support institutions of learning and advanced medical research facilities and collaborations in this state in all stages in the process of finding the causes of all types of cancer in humans and developing cures, from laboratory research to clinical trials and including programs to address the problem of access to advanced cancer treatment; and

(3) establish the appropriate standards and oversight bodies to ensure the proper use of funds authorized under this provision for cancer research and facilities development.

(b) The members of the governing body and any other decision-making body of the Cancer Prevention and Research

Institute of Texas may serve four-year terms.

(c) The legislature by general law may authorize the Texas Public Finance Authority to provide for, issue, and sell general obligation bonds of the State of Texas on behalf of the Cancer Prevention and Research Institute of Texas in an amount not to exceed $6 billion and to enter into related credit agreements. The Texas Public Finance Authority may not issue more than $300 million in bonds authorized by this subsection in a year. The bonds shall be executed in the form, on the terms, and in the denominations, bear interest, and be issued in installments as prescribed by the Texas Public Finance Authority.

(d) Proceeds from the sale of the bonds shall be deposited in separate funds or accounts, as provided by general law, within the state treasury to be used by the Cancer Prevention and Research Institute of Texas for the purposes of this section.

(e) Notwithstanding any other provision of this constitution, the Cancer Prevention and Research Institute of Texas, which is established in state government, may use the proceeds from bonds issued under Subsection (c) of this section and federal or private grants and gifts to pay for:

(1) grants for cancer research, for research facilities, and for research opportunities in this state to develop therapies, protocols, medical pharmaceuticals, or procedures for the cure or substantial mitigation of all types of cancer in humans;

(2) grants for cancer prevention and control programs in this state to mitigate the incidence of all types of cancer in humans;

(3) the purchase, subject to approval by the Cancer Prevention and Research Institute, of laboratory facilities by or on behalf of a state agency or grant recipient; and

(4) the operation of the Cancer Prevention and Research Institute of Texas.

(f) The bond proceeds may be used to pay the costs of issuing the bonds and any administrative expense related to the bonds.

(g) While any of the bonds or interest on the bonds authorized by this section is outstanding and unpaid, from the first money coming into the state treasury in each fiscal year not

otherwise appropriated by this constitution, an amount sufficient to pay the principal of and interest on bonds that mature or become due during the fiscal year and to make payments that become due under a related credit agreement during the fiscal year is appropriated, less the amount in the sinking fund at the close of the previous fiscal year.

(h) Bonds issued under this section, after approval by the attorney general, registration by the comptroller of public accounts, and delivery to the purchasers, are incontestable and are general obligations of the State of Texas under this constitution.

(i) Before the Cancer Prevention and Research Institute of Texas may make a grant of any proceeds of the bonds issued under this section, the recipient of the grant must have an amount of funds equal to one-half the amount of the grant dedicated to the research that is the subject of the grant request.

(j) The Texas Public Finance Authority shall consider using a business whose principal place of business is located in the state to issue the bonds authorized by this section and shall include using a historically underutilized business as defined by general law.

(Added Nov. 6, 2007; Subsec. (c) amended Nov. 5, 2019.)

Sec. 68. DEMENTIA PREVENTION AND RESEARCH INSTITUTE OF TEXAS. (a) The legislature shall establish the Dementia Prevention and Research Institute of Texas to:

(1) award grants to institutions of learning, advanced medical research facilities, public or private persons, and collaboratives in this state to provide money for:

(A) research into the causes of, means of prevention of, and treatment and rehabilitation for dementia, Alzheimer's disease, Parkinson's disease, and related disorders;

(B) research, including translational research, to develop therapies, protocols, medical pharmaceuticals, or procedures for the substantial mitigation of the symptoms of dementia, Alzheimer's disease, Parkinson's disease, and related disorders;

(C) facilities, equipment, and other costs

related to research on dementia, Alzheimer's disease, Parkinson's disease, and related disorders; and

(D) prevention programs and strategies to mitigate the detrimental health impacts of dementia, Alzheimer's disease, Parkinson's disease, and related disorders;

(2) support institutions of learning and advanced medical research facilities and collaboratives in this state in all stages of:

(A) discovering the causes of dementia, Alzheimer's disease, Parkinson's disease, and related disorders;

(B) developing therapies, protocols, medical pharmaceuticals, or procedures for the substantial mitigation of the symptoms of dementia, Alzheimer's disease, Parkinson's disease, and related disorders from laboratory research to clinical trials; and

(C) developing programs to address access to advanced treatment for dementia, Alzheimer's disease, Parkinson's disease, and related disorders; and

(3) establish the appropriate standards and oversight bodies to ensure the proper use of funding authorized under this section, including facilities development.

(b) The members of the governing body and any other decision-making body of the Dementia Prevention and Research Institute of Texas may serve six-year terms.

(c) The Dementia Prevention and Research Fund is established as a special fund in the state treasury outside the general revenue fund to be administered by the Dementia Prevention and Research Institute of Texas. The comptroller of public accounts shall credit to general revenue interest due to the fund.

(c-1) On January 1, 2026, the comptroller shall transfer $3 billion from this state's general revenue fund to the Dementia Prevention and Research Fund. The transfer made under this subsection is not an appropriation of state tax revenues for the purposes of Section 22, Article VIII, of this constitution. This subsection expires January 1, 2029.

(d) The Dementia Prevention and Research Fund consists of:

(1) money transferred to the fund under this section;

(2) money the legislature appropriates, credits, or transfers to the fund; and

(3) gifts and grants, including grants from the federal government, and other donations received for the fund.

(e) Notwithstanding any other provision of this constitution, the Dementia Prevention and Research Institute of Texas, as established by general law, may use money in the Dementia Prevention and Research Fund only for the purpose of funding:

(1) grants for research on dementia, Alzheimer's disease, Parkinson's disease, and related disorders, research facilities, and research opportunities in this state:

(A) for the prevention, treatment, and rehabilitation of dementia, Alzheimer's disease, Parkinson's disease, and related disorders and the mitigation of the incidence of and detrimental health impacts from dementia, Alzheimer's disease, Parkinson's disease, and related disorders; and

(B) to develop therapies, protocols, medical pharmaceuticals, or procedures for the substantial mitigation of the symptoms of dementia, Alzheimer's disease, Parkinson's disease, and related disorders;

(2) the purchase, construction, or renovation, subject to the institute's approval, of facilities by or on behalf of a state agency or grant recipient; and

(3) the institute's operation.

(f) Not including any unspent money appropriated to the Dementia Prevention and Research Institute of Texas carried forward from the preceding state fiscal year, the legislature may appropriate not more than $300 million from the Dementia Prevention and Research Fund to the institute for a state fiscal year.

(g) Before the Dementia Prevention and Research Institute of Texas may award a grant authorized under this section, the grant recipient must have available an unexpended amount of money equal to one-half of the grant amount dedicated to the research specified in the grant proposal.

(h) The reasonable expenses of managing the assets of the Dementia Prevention and Research Fund shall be paid from the fund.

(Added Nov. 4, 2025, subject to resolution of an election contest

under Chapter 233, Election Code, pending as of February 2, 2026.)