

By: Birdwell, et al.

S.J.R. No. 81

1 SENATE JOINT RESOLUTION

2 proposing a constitutional amendment providing for the creation of  
3 the permanent technical institution infrastructure fund and the  
4 available workforce education fund to support the capital needs of  
5 career and technical education programs offered by the Texas State  
6 Technical College System.

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

8 SECTION 1. Article VII, Texas Constitution, is amended by  
9 adding Section 23 to read as follows:

10 Sec. 23. (a) In this section:

11 (1) "Available fund" means the available workforce  
12 education fund.

13 (2) "Board of regents" means the board of regents of  
14 the Texas State Technical College System.

15 (3) "Permanent fund" means the permanent technical  
16 institution infrastructure fund.

17 (b) The permanent technical institution infrastructure fund  
18 and the available workforce education fund are established as  
19 special funds in the state treasury outside the general revenue  
20 fund to be administered as provided by this section without further  
21 appropriation for the purpose of providing a dedicated source of  
22 funding for capital projects and equipment purchases related to  
23 career and technical education programs offered by the Texas State  
24 Technical College System.

1        (c) The permanent fund consists of:

2            (1) money appropriated, credited, transferred, or  
3 deposited to the credit of the fund by this section or as authorized  
4 by other law;

5            (2) any interest or other earnings attributable to the  
6 investment of money in the fund; and

7            (3) gifts, grants, and donations made to the fund.

8        (d) The available fund consists of:

9            (1) money distributed to the fund from the permanent  
10 fund as provided by this section;

11            (2) money appropriated, credited, transferred, or  
12 deposited to the credit of the fund by this section or as authorized  
13 by other law;

14            (3) any interest or other earnings attributable to the  
15 investment of money in the fund; and

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

17        (e) The comptroller of public accounts or the board of  
18 regents may establish accounts in the available fund as necessary  
19 to administer the fund or pay for projects authorized under this  
20 section.

21        (f) The comptroller of public accounts shall hold, manage,  
22 and invest the permanent fund. In managing the assets of the fund,  
23 the comptroller may acquire, exchange, sell, supervise, manage, or  
24 retain any kind of investment that a prudent investor, exercising  
25 reasonable care, skill, and caution, would acquire or retain in  
26 light of the purposes, terms, distribution needs, and other  
27 circumstances of the fund, taking into consideration the investment

1 of all the assets of the fund rather than a single investment. The  
2 expenses of managing the investments of the fund shall be paid from  
3 the fund.

4 (g) The legislature may not appropriate or transfer money  
5 from the permanent fund for any purpose.

6 (h) The comptroller of public accounts shall determine the  
7 amount available for distribution from the permanent fund to the  
8 available fund for each fiscal year. The amount available for  
9 distribution:

10 (1) must be determined in a manner intended to:

11 (A) provide the available fund with a stable and  
12 predictable stream of annual distributions; and

13 (B) preserve the purchasing power of the assets  
14 of the permanent fund over a full economic cycle; and

15 (2) may not exceed 5.5 percent of the fair market value  
16 of the investment assets of the permanent fund, as determined by the  
17 comptroller.

18 (i) For each state fiscal year, on request of the board of  
19 regents, the comptroller of public accounts shall distribute an  
20 amount that does not exceed the amount determined under Subsection  
21 (h) of this section from the permanent fund to the available fund  
22 for purposes of this section.

23 (j) The total amount of the distribution from the permanent  
24 fund to the available fund under Subsection (i) of this section is  
25 appropriated to the board of regents for:

26 (1) acquiring land, either with or without permanent  
27 improvements;

1           (2) constructing and equipping buildings or other  
2 permanent improvements;

3           (3) major repair and rehabilitation of buildings and  
4 other permanent improvements;

5           (4) acquiring capital equipment, including  
6 instructional equipment, virtual reality or augmented reality  
7 equipment, heavy industrial equipment, and vehicles;

8           (5) acquiring library books and materials, including  
9 digital or electronic library books and materials;

10           (6) payment of the principal and interest due on the  
11 bonds and notes issued by the board of regents to finance permanent  
12 improvements as authorized by other law; and

13           (7) any other purpose authorized by general law.

14           (k) Notwithstanding any other provision of this section,  
15 money appropriated from the available fund under this section may  
16 not be used for the purpose of constructing, equipping, repairing,  
17 or rehabilitating buildings or other permanent improvements that  
18 are to be used for intercollegiate athletics or auxiliary  
19 enterprises.

20           (l) An institution that is entitled to participate in  
21 dedicated funding provided by Section 17 or 18 of this article may  
22 not be entitled to participate in the funding provided by this  
23 section.

24           (m) This section does not impair any obligation created by  
25 the issuance of bonds or notes in accordance with prior law,  
26 including bonds or notes issued under Section 17 of this article  
27 before January 1, 2024, and all outstanding bonds and notes shall be

1 paid in full, both principal and interest, in accordance with their  
2 terms. If this section conflicts with any other provision of this  
3 constitution, this section prevails.

4 (m-1) On January 1, 2024, the amount of \$750 million is  
5 appropriated from the general revenue fund to the comptroller of  
6 public accounts for the purpose of immediate deposit to the credit  
7 of the permanent fund. This subsection expires December 31, 2024.

8 (n) For purposes of Section 22, Article VIII, of this  
9 constitution:

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

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

16 SECTION 2. Sections 17(b) and (c), Article VII, Texas  
17 Constitution, are amended to read as follows:

18 (b) The funds appropriated under Subsection (a) of this  
19 section shall be for the use of the following eligible agencies and  
20 institutions of higher education (even though their names may be  
21 changed):

22 (1) Texas A&M University--Commerce [~~East Texas State~~  
23 ~~University including East Texas State University at Texarkana~~];

24 (2) Lamar University including Lamar State College--  
25 [~~University at~~] Orange and Lamar State College-- [~~University at~~]  
26 Port Arthur;

27 (3) Midwestern State University;

- 1           (4) University of North Texas;
- 2           (5) [~~The University of Texas--Pan American including~~  
3 ~~The University of Texas at Brownsville,~~
- 4           ~~(6)~~ Stephen F. Austin State University;
- 5           (6) ~~(7)~~ Texas College of Osteopathic Medicine;
- 6           (7) ~~(8)~~ Texas State University System  
7 Administration and the following component institutions:
- 8           (8) ~~(9)~~ Sam Houston State University;
- 9           (9) ~~(10) Southwest~~ Texas State University;
- 10          (10) ~~(11)~~ Sul Ross State University including Rio  
11 Grande College [~~Uvalde Study Center~~];
- 12          (11) ~~(12)~~ Texas Southern University;
- 13          (12) ~~(13)~~ Texas Tech University;
- 14          (13) ~~(14)~~ Texas Tech University Health Sciences  
15 Center;
- 16          (14) ~~(15)~~ Angelo State University;
- 17          (15) ~~(16)~~ Texas Woman's University;
- 18          (16) ~~(17)~~ University of Houston System  
19 Administration and the following component institutions:
- 20          (17) ~~(18)~~ University of Houston;
- 21          (18) ~~(19)~~ University of Houston--Victoria;
- 22          (19) ~~(20)~~ University of Houston--Clear Lake;
- 23          (20) ~~(21)~~ University of Houston--Downtown;
- 24          (21) ~~(22)~~ Texas A&M University--Corpus Christi;
- 25          (22) ~~(23)~~ Texas A&M International University;
- 26          (23) ~~(24)~~ Texas A&M University--Kingsville;
- 27          (24) ~~(25)~~ West Texas A&M University; and

1           (25) Texas A&M University--Texarkana [~~(26) Texas~~  
2 ~~State Technical College System and its campuses, but not its~~  
3 ~~extension centers or programs~~].

4           (c) Pursuant to a two-thirds vote of the membership of each  
5 house of the legislature, institutions of higher education may be  
6 created at a later date by general law, and, when created, such an  
7 institution shall be entitled to participate in the funding  
8 provided by this section if it is not created as a part of The  
9 University of Texas System or The Texas A&M University System. An  
10 institution that is entitled to participate in dedicated funding  
11 provided by [~~Article VII,~~] Section 18 or 23[~~7~~] of this article  
12 [~~constitution~~] may not be entitled to participate in the funding  
13 provided by this section.

14           SECTION 3. Section 18(c), Article VII, Texas Constitution,  
15 is amended to read as follows:

16           (c) Pursuant to a two-thirds vote of the membership of each  
17 house of the legislature, institutions of higher education may be  
18 created at a later date as a part of The University of Texas System  
19 or The Texas A&M University System by general law, and, when  
20 created, such an institution shall be entitled to participate in  
21 the funding provided by this section for the system in which it is  
22 created. An institution that is entitled to participate in  
23 dedicated funding provided by [~~Article VII,~~] Section 17 or 23[~~7~~] of  
24 this article [~~constitution~~] may not be entitled to participate in  
25 the funding provided by this section.

26           SECTION 4. Section 17(d-1), Article VII, Texas  
27 Constitution, is repealed.

1 SECTION 5. Article VII, Texas Constitution, is amended by  
2 adding Section 23A to read as follows:

3 Sec. 23A. TEMPORARY PROVISION. (a) The transfer of the  
4 Texas State Technical College System from Section 17 of this  
5 article to Section 23 of this article by the constitutional  
6 amendment proposed by the 88th Legislature, Regular Session, 2023,  
7 applies beginning with the state fiscal year that begins September  
8 1, 2025.

9 (b) Beginning with the state fiscal year that begins  
10 September 1, 2025, the funds allocated as provided by Section 17(d)  
11 of this article to the Texas State Technical College System shall be  
12 allocated to the other agencies and institutions eligible to  
13 receive funds under Section 17 of this article in proportion to the  
14 other funds allocated to those agencies and institutions as  
15 provided by Section 17(d) of this article, until the legislature or  
16 designated agency eliminates the Texas State Technical College  
17 System from the formula and allocations made under Section 17(d) of  
18 this article.

19 (c) This section expires September 1, 2031.

20 SECTION 6. This proposed constitutional amendment shall be  
21 submitted to the voters at an election to be held November 7, 2023.  
22 The ballot shall be printed to permit voting for or against the  
23 proposition: "The constitutional amendment providing for the  
24 creation of the permanent technical institution infrastructure  
25 fund and the available workforce education fund to support the  
26 capital needs of career and technical education programs offered by  
27 the Texas State Technical College System."