

1-1 By: Birdwell, Hinojosa of Nueces S.J.R. No. 59
 1-2 (In the Senate - Filed February 25, 2025; March 6, 2025,
 1-3 read first time and referred to Committee on Education K-16;
 1-4 April 24, 2025, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 10, Nays 0; April 24, 2025,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

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

1-20 COMMITTEE SUBSTITUTE FOR S.J.R. No. 59 By: Bettencourt

1-21 SENATE JOINT RESOLUTION

1-22 proposing a constitutional amendment providing for the creation of
 1-23 funds to support the capital needs of educational programs offered
 1-24 by the Texas State Technical College System and repealing the
 1-25 limitation on the allocation to that system and its campuses of the
 1-26 annual appropriation of certain constitutionally dedicated funding
 1-27 for public institutions of higher education.

1-28 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-29 SECTION 1. Article VII, Texas Constitution, is amended by
 1-30 adding Section 21 to read as follows:

1-31 Sec. 21. (a) In this section:

1-32 (1) "Available fund" means the available workforce
 1-33 education fund.

1-34 (2) "Permanent fund" means the permanent technical
 1-35 institution infrastructure fund.

1-36 (b) The permanent technical institution infrastructure fund
 1-37 and the available workforce education fund are established as
 1-38 special funds in the state treasury outside the general revenue
 1-39 fund to be administered as provided by this section without further
 1-40 appropriation for the purpose of providing a dedicated source of
 1-41 funding for capital projects and equipment purchases related to
 1-42 educational programs offered by the Texas State Technical College
 1-43 System.

1-44 (c) The permanent fund consists of:

1-45 (1) money appropriated, credited, transferred, or
 1-46 deposited to the credit of the fund by this section or as authorized
 1-47 by other law;

1-48 (2) any interest or other earnings attributable to the
 1-49 investment of money in the fund; and

1-50 (3) gifts, grants, and donations made to the fund.

1-51 (d) The available fund consists of:

1-52 (1) money distributed to the fund from the permanent
 1-53 fund as provided by this section;

1-54 (2) money appropriated, credited, transferred, or
 1-55 deposited to the credit of the fund by this section or as authorized
 1-56 by other law;

1-57 (3) any interest or other earnings attributable to the
 1-58 investment of money in the fund; and

1-59 (4) gifts, grants, and donations made to the fund.

1-60 (e) The comptroller of public accounts or the board of

2-1 regents of the Texas State Technical College System may establish
 2-2 accounts in the available fund as necessary to administer the fund
 2-3 or pay for projects authorized under this section.

2-4 (f) The comptroller of public accounts shall hold, manage,
 2-5 and invest the permanent fund. In managing the assets of the fund,
 2-6 the comptroller may acquire, exchange, sell, supervise, manage, or
 2-7 retain any kind of investment that a prudent investor, exercising
 2-8 reasonable care, skill, and caution, would acquire or retain in
 2-9 light of the purposes, terms, distribution needs, and other
 2-10 circumstances of the fund, taking into consideration the investment
 2-11 of all the assets of the fund rather than a single investment. The
 2-12 expenses of managing the investments of the fund shall be paid from
 2-13 the fund.

2-14 (g) Money may not be appropriated or transferred from the
 2-15 permanent fund or the available fund except as provided by this
 2-16 section.

2-17 (h) The comptroller of public accounts shall determine the
 2-18 amount available for distribution from the permanent fund to the
 2-19 available fund for each fiscal year in accordance with a
 2-20 distribution policy adopted by the comptroller. The amount
 2-21 available for distribution:

2-22 (1) must be determined in a manner intended to:

2-23 (A) provide the available fund with a stable and
 2-24 predictable stream of annual distributions; and

2-25 (B) preserve over a rolling 10-year period the
 2-26 purchasing power of the permanent fund; and

2-27 (2) may not exceed 5.5 percent of the fair market value
 2-28 of the investment assets of the permanent fund, as determined by the
 2-29 comptroller.

2-30 (i) For each state fiscal year, on request of the board of
 2-31 regents of the Texas State Technical College System, the
 2-32 comptroller of public accounts shall distribute an amount that does
 2-33 not exceed the amount determined under Subsection (h) of this
 2-34 section from the permanent fund to the available fund for purposes
 2-35 of this section.

2-36 (j) The amount distributed from the permanent fund to the
 2-37 available fund under Subsection (i) of this section is appropriated
 2-38 to the board of regents of the Texas State Technical College System
 2-39 for:

2-40 (1) acquiring land, either with or without permanent
 2-41 improvements;

2-42 (2) constructing and equipping buildings or other
 2-43 permanent improvements;

2-44 (3) major repair and rehabilitation of buildings and
 2-45 other permanent improvements;

2-46 (4) acquiring capital equipment, including
 2-47 instructional equipment, virtual reality or augmented reality
 2-48 equipment, heavy industrial equipment, and vehicles;

2-49 (5) acquiring library books and materials, including
 2-50 digital or electronic library books and materials;

2-51 (6) payment of the principal and interest due on the
 2-52 bonds and notes issued by the respective board of regents to finance
 2-53 permanent improvements as authorized by other law; and

2-54 (7) any other purpose authorized by general law.

2-55 (k) Notwithstanding any other provision of this section,
 2-56 money appropriated from the available fund under this section may
 2-57 not be used for the purpose of constructing, equipping, repairing,
 2-58 or rehabilitating buildings or other permanent improvements that
 2-59 are to be used for intercollegiate athletics or auxiliary
 2-60 enterprises.

2-61 (l) An institution, other than a component institution of
 2-62 the Texas State Technical College System, that is entitled to
 2-63 participate in dedicated funding provided by Section 17 or 18 of
 2-64 this article may not be entitled to participate in the funding
 2-65 provided by this section.

2-66 (m) This section does not impair any obligation created by
 2-67 the issuance of bonds or notes in accordance with prior law,
 2-68 including bonds or notes issued under Section 17 of this article,
 2-69 and all outstanding bonds and notes shall be paid in full, both

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

3-4 (n) Money appropriated under Subsection (j) of this section
3-5 that is not spent during the state fiscal year for which the
3-6 appropriation is made is retained by the Texas State Technical
3-7 College System and may be spent in a subsequent state fiscal year
3-8 for a purpose for which the appropriation was made.

3-9 SECTION 2. Section 17(j), Article VII, Texas Constitution,
3-10 is amended to read as follows:

3-11 (j) The state systems and institutions of higher education
3-12 designated in this section may not receive any additional funds
3-13 from the general revenue of the state, other than money
3-14 appropriated under Section 21 of this article, for acquiring land
3-15 with or without permanent improvements, for constructing or
3-16 equipping buildings or other permanent improvements, or for major
3-17 repair and rehabilitation of buildings or other permanent
3-18 improvements except that:

3-19 (1) in the case of fire or natural disaster the
3-20 legislature may appropriate from the general revenue an amount
3-21 sufficient to replace the uninsured loss of any building or other
3-22 permanent improvement; and

3-23 (2) the legislature, by two-thirds vote of each house,
3-24 may, in cases of demonstrated need, which need must be clearly
3-25 expressed in the body of the act, appropriate additional general
3-26 revenue funds for acquiring land with or without permanent
3-27 improvements, for constructing or equipping buildings or other
3-28 permanent improvements, or for major repair and rehabilitation of
3-29 buildings or other permanent improvements.

3-30 This subsection does not apply to legislative appropriations
3-31 made prior to the adoption of this amendment.

3-32 SECTION 3. Section 18(c), Article VII, Texas Constitution,
3-33 is amended to read as follows:

3-34 (c) Pursuant to a two-thirds vote of the membership of each
3-35 house of the legislature, institutions of higher education may be
3-36 created at a later date as a part of The University of Texas System
3-37 or The Texas A&M University System by general law, and, when
3-38 created, such an institution shall be entitled to participate in
3-39 the funding provided by this section for the system in which it is
3-40 created. An institution that is entitled to participate in
3-41 dedicated funding provided by ~~[Article VII,]~~ Section 17 or 21~~[,]~~ of
3-42 this article ~~[constitution]~~ may not be entitled to participate in
3-43 the funding provided by this section.

3-44 SECTION 4. Section 17(d-1), Article VII, Texas
3-45 Constitution, is repealed.

3-46 SECTION 5. This proposed constitutional amendment shall be
3-47 submitted to the voters at an election to be held November 4, 2025.
3-48 The ballot shall be printed to permit voting for or against the
3-49 proposition: "The constitutional amendment providing for the
3-50 creation of the permanent technical infrastructure
3-51 fund and the available workforce education fund to support the
3-52 capital needs of educational programs offered by the Texas State
3-53 Technical College System and repealing the limitation on the
3-54 allocation to that system and its campuses of the annual
3-55 appropriation of certain constitutionally dedicated funding for
3-56 public institutions of higher education."

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