

By: Pitts

H.B. No. 4590

A BILL TO BE ENTITLED

1 AN ACT
2 relating to transfers from the permanent school fund to the
3 available school fund.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 43.002, Education Code, is amended by
6 amending Subsection (a) and adding Subsection (a-1) to read as
7 follows:

8 (a) On the first working day of each month in a state fiscal
9 year, the comptroller shall transfer from the permanent school fund
10 to the available school fund an amount equal to [~~one-twelfth of~~] the
11 annual distribution for that fiscal year from the permanent school
12 fund to the available school fund as provided by Section 5(a),
13 Article VII, Texas Constitution, less the amount that has already
14 been transferred during the fiscal year, divided by the number of
15 months remaining in [for] the fiscal year.

16 (a-1) If compliance with Section 5(a)(2), Article VII,
17 Texas Constitution, does not permit monthly transfers under
18 Subsection (a) that distribute the full amount of the total return
19 on the permanent school fund, at the rate adopted under Section
20 5(a)(1), Article VII, Texas Constitution, to be transferred to the
21 available school fund in the first year of a state fiscal biennium,
22 monthly transfers in the second year of the state fiscal biennium
23 may, to the extent authorized by the State Board of Education, be
24 increased to transfer amounts adopted for the first year of the

1 state fiscal biennium but not transferred in that year.

2 SECTION 2. This Act takes effect September 1, 2009.