By: Alonzo

H.J.R. No. 96

A JOINT RESOLUTION

proposing a constitutional amendment abolishing the State Board of
Education and transferring the board's constitutional functions to
the Texas Education Agency.

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

5 SECTION 1. Section 3(b), Article VII, Texas Constitution, 6 is amended to read as follows:

7 (b) It shall be the duty of the <u>Texas Education Agency</u> 8 [State Board of Education] to set aside a sufficient amount of 9 available funds to provide free text books for the use of children 10 attending the public free schools of this State.

SECTION 2. Section 4, Article VII, Texas Constitution, is amended to read as follows:

13 Sec. 4. The lands herein set apart to the Public Free School 14 fund, shall be sold under such regulations, at such times, and on such terms as may be prescribed by law; and the Legislature shall 15 not have power to grant any relief to purchasers thereof. 16 The proceeds of such sales must be used to acquire other land for the 17 Public Free School fund as provided by law or the proceeds shall be 18 invested by the comptroller of public accounts, as may be directed 19 by the <u>Texas Education Agency</u> [Board of Education] herein provided 20 for, in the bonds of the United States, the State of Texas, or 21 counties in said State, or in such other securities, and under such 22 23 restrictions as may be prescribed by law; and the State shall be responsible for all investments. 24

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3 (a) The permanent school fund consists of all land appropriated for public schools by this constitution or the other 4 5 laws of this state, other properties belonging to the permanent school fund, and all revenue derived from the land or other 6 properties. The available school fund consists of the distributions 7 made to it from the total return on all investment assets of the 8 permanent school fund, the taxes authorized by this constitution or 9 10 general law to be part of the available school fund, and appropriations made to the available school fund by 11 the legislature. The total amount distributed from the permanent school 12 fund to the available school fund: 13

14 (1)in each year of a state fiscal biennium must be an 15 amount that is not more than six percent of the average of the market value of the permanent school fund, excluding real property 16 17 belonging to the fund that is managed, sold, or acquired under Section 4 of this article, on the last day of each of the 16 state 18 19 fiscal quarters preceding the regular session of the legislature that begins before that state fiscal biennium, in accordance with 20 the rate adopted by: 21

22 the Texas Education Agency [a vote (A) of two-thirds of the total membership of the State Board of Education, 23 24 taken] before the regular session of the legislature convenes; or 25 (B) the legislature by general law or 26 appropriation, if the Texas Education Agency [State Board of 27 Education] does not adopt a rate as provided by Paragraph (A) of

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1 this subdivision; and

2 (2) over the 10-year period consisting of the current 3 state fiscal year and the nine preceding state fiscal years may not 4 exceed the total return on all investment assets of the permanent 5 school fund over the same 10-year period.

(f) Notwithstanding any other provision of 6 this 7 constitution, in managing the assets of the permanent school fund, 8 the Texas Education Agency [State Board of Education] may acquire, exchange, sell, supervise, manage, or retain, through procedures 9 and subject to restrictions it establishes and in amounts it 10 considers appropriate, any kind of investment[, including 11 investments in the Texas growth fund created by Article XVI, 12 Section 70, of this constitution,] that persons of ordinary 13 prudence, discretion, and intelligence, exercising the judgment 14 15 and care under the circumstances then prevailing, acquire or retain for their own account in the management of their affairs, not in 16 regard to speculation but in regard to the permanent disposition of 17 their funds, considering the probable income as well as the 18 19 probable safety of their capital.

20 SECTION 4. Section 8, Article VII, Texas Constitution, is 21 amended to read as follows:

22 Sec. 8. The Legislature shall provide by law for a <u>Texas</u> 23 <u>Education Agency</u> [State Board of Education, whose members shall be 24 appointed or elected in such manner and by such authority and shall 25 serve for such terms as the Legislature shall prescribe not to 26 exceed six years]. The <u>agency</u> [said board] shall perform such 27 duties as may be prescribed by law.

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1 SECTION 5. This proposed constitutional amendment shall be 2 submitted to the voters at an election to be held November 8, 2011. 3 The ballot shall be printed to permit voting for or against the 4 proposition: "The constitutional amendment abolishing the State 5 Board of Education and transferring the board's constitutional 6 functions to the Texas Education Agency."