

Amend **HB 4388** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. (a) The legislature finds that the periodic examination of distributions made from the permanent school fund to the available school fund is necessary for the effective management of permanent school fund investments.

(b) The Texas Education Agency, in consultation with the General Land Office, shall conduct a study regarding distributions from the permanent school fund to the available school fund. The study must:

(1) examine historical patterns in the real value of distributions made from all assets and revenues of the permanent school fund and historical patterns in the real value of permanent school fund assets relative to the number of students enrolled in the public education system;

(2) analyze the impact of underlying data and methodological assumptions on actual and projected distributions from the permanent school fund;

(3) seek input from state government officials involved in public education policy or in the appropriation of state funds to support the public education system;

(4) examine current and alternative approaches to balance the needs and interests of present and future beneficiaries of the permanent school fund and the available school fund;

(5) develop options to maximize available revenue distributions for the education of students enrolled in the public education system while preserving the permanent school fund for future generations; and

(6) consider any other subjects relevant to the purpose of the study.

(c) The Texas Education Agency may contract for investment management expertise for the purpose of implementing this section.

(d) Not later than June 1, 2020, the Texas Education Agency shall prepare and submit a report regarding the results of the study to the governor, the State Board of Education, the Legislative Budget Board, the lieutenant governor, the speaker of the house of

representatives, and each legislative standing committee with primary jurisdiction over public education.

(e) This section expires January 1, 2021.