

By: Bonnen

H.J.R. No. 3

A JOINT RESOLUTION

1 proposing a constitutional amendment renaming the national
2 research university fund as the Texas University Fund, providing
3 for the appropriation of certain investment income from the
4 economic stabilization fund to the Texas University Fund, excepting
5 appropriations to and from the Texas University Fund from the
6 constitutional limit on the rate of growth of appropriations, and
7 appropriating money from the general revenue fund to the Texas
8 University Fund for purposes of providing funding to certain public
9 institutions of higher education to achieve national prominence as
10 major research universities and drive the state economy.

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

12 SECTION 1. Section 49-g, Article III, Texas Constitution,
13 is amended by adding Subsections (p) and (q) to read as follows:

14 (p) On the first business day occurring on or after the 90th
15 day of each state fiscal year, an amount equal to the interest
16 income, dividends, and investment earnings attributable to the
17 economic stabilization fund for the preceding state fiscal year,
18 not to exceed the amount determined under Subsection (q) of this
19 section, is appropriated from the economic stabilization fund to
20 the comptroller of public accounts for the purpose of immediate
21 deposit to the credit of the Texas University Fund. For purposes of
22 this subsection, the amount of interest income, dividends, and
23 investment earnings attributable to the economic stabilization
24 fund for a state fiscal year is computed by:

1 (1) determining the amount of interest and dividends
2 due to the fund for that fiscal year, including any interest
3 credited to general revenue under Subsection (i) of this section;

4 (2) adding to the amount determined under Subdivision
5 (1) of this subsection an amount equal to the increase, if any, in
6 the fair market value of the fund between the last day of that
7 fiscal year and the last day of the preceding state fiscal year; and

8 (3) subtracting from the amount determined under
9 Subdivision (2) of this subsection the amount of any expenses of
10 managing the investments of money in the fund that are paid from the
11 fund during that fiscal year.

12 (q) The amount of the appropriation made under Subsection
13 (p) of this section may not exceed:

14 (1) for the state fiscal year beginning September 1,
15 2023, \$100 million; or

16 (2) for a state fiscal year beginning on or after
17 September 1, 2024, the amount determined under this subsection for
18 the preceding state fiscal year adjusted by the increase, if any, in
19 inflation during the preceding state fiscal year, as determined by
20 the comptroller of public accounts on the basis of changes in the
21 consumer price index published by the Bureau of Labor Statistics of
22 the United States Department of Labor or a successor agency.

23 SECTION 2. Section 20, Article VII, Texas Constitution, is
24 amended by amending Subsections (a) and (g) and adding Subsections
25 (i) and (j) to read as follows:

26 (a) There is established the Texas University Fund
27 [~~national research university fund~~] for the purpose of providing a

1 dedicated, independent, and equitable source of funding to enable
2 emerging research universities in this state to achieve national
3 prominence as major research universities.

4 (g) The legislature shall establish criteria by which a
5 state university may become eligible to receive a portion of the
6 distributions from the fund. [~~A state university that becomes
7 eligible to receive a portion of the distributions from the fund in
8 a state fiscal biennium remains eligible to receive additional
9 distributions from the fund in any subsequent state fiscal
10 biennium.~~] The University of Texas at Austin and Texas A&M
11 University are not eligible to receive money from the fund.

12 (i) For purposes of Section 22, Article VIII, of this
13 constitution:

14 (1) money in the fund is dedicated by this
15 constitution; and

16 (2) an appropriation of state tax revenues for the
17 purpose of depositing money to the credit of the fund is treated as
18 if it were an appropriation of revenues dedicated by this
19 constitution.

20 (j) On January 1, 2024, the amount of \$3.5 billion is
21 appropriated from the general revenue fund to the comptroller of
22 public accounts for the purpose of immediately depositing that
23 amount to the credit of the Texas University Fund. This subsection
24 expires February 1, 2024.

25 SECTION 3. The following temporary provision is added to
26 the Texas Constitution:

27 TEMPORARY PROVISION. (a) This temporary provision applies

1 to the constitutional amendment proposed by the 88th Legislature,
2 Regular Session, 2023, renaming the national research university
3 fund as the Texas University Fund, providing for the appropriation
4 of certain investment income from the economic stabilization fund
5 to the Texas University Fund, excepting appropriations to and from
6 the Texas University Fund from the constitutional limit on the rate
7 of growth of appropriations, and appropriating money from the
8 general revenue fund to the Texas University Fund for purposes of
9 providing funding to certain public institutions of higher
10 education to achieve national prominence as major research
11 universities and drive the state economy.

12 (b) Notwithstanding Section 49-g(p), Article III, of this
13 constitution, as added by the amendment, for the state fiscal year
14 beginning September 1, 2023, the amount described by that
15 subsection is appropriated from the economic stabilization fund to
16 the comptroller of public accounts for the purpose of immediate
17 deposit to the credit of the Texas University Fund on January 1,
18 2024.

19 (c) This temporary provision expires February 1, 2024.

20 SECTION 4. 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 renaming the national
24 research university fund as the Texas University Fund, providing
25 for the appropriation of certain investment income from the
26 economic stabilization fund to the Texas University Fund, excepting
27 appropriations to and from the Texas University Fund from the

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1 constitutional limit on the rate of growth of appropriations, and
2 appropriating money from the general revenue fund to the Texas
3 University Fund for purposes of providing funding to certain public
4 institutions of higher education to achieve national prominence as
5 major research universities and drive the state economy."