

By: Bonnen

H.J.R. No. 3

Substitute the following for H.J.R. No. 3:

By: Kuempel

C.S.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 the rate of inflation during the preceding state fiscal year, as
20 determined by the comptroller of public accounts on the basis of
21 changes in the consumer price index published by the Bureau of Labor
22 Statistics of the United States Department of Labor or a successor
23 agency.

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

27 (a) There is established the Texas University Fund

1 ~~[national research university fund]~~ for the purpose of providing a
2 dedicated, independent, and equitable source of funding to enable
3 emerging research universities in this state to achieve national
4 prominence as major research universities.

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

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

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

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

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

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

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

13 (b) Notwithstanding Section 49-g(p), Article III, of this
14 constitution, as added by the amendment, for the state fiscal year
15 beginning September 1, 2023, the amount described by that
16 subsection is appropriated from the economic stabilization fund to
17 the comptroller of public accounts for the purpose of immediate
18 deposit to the credit of the Texas University Fund on January 1,
19 2024.

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

21 SECTION 4. This proposed constitutional amendment shall be
22 submitted to the voters at an election to be held November 7, 2023.
23 The ballot shall be printed to permit voting for or against the
24 proposition: "The constitutional amendment renaming the national
25 research university fund as the Texas University Fund, providing
26 for the appropriation of certain investment income from the
27 economic stabilization fund to the Texas University Fund, excepting

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