

1-1 By: Birdwell, et al. S.J.R. No. 81
 1-2 (In the Senate - Filed March 9, 2023; March 21, 2023, read
 1-3 first time and referred to Subcommittee on Higher Education;
 1-4 April 6, 2023, reported favorably from Committee on Education by
 1-5 the following vote: Yeas 13, Nays 0; April 6, 2023, sent to
 1-6 printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			
1-21	X			

1-22 SENATE JOINT RESOLUTION

1-23 proposing a constitutional amendment providing for the creation of
 1-24 the technical institution infrastructure fund and the available
 1-25 workforce education fund to support the capital needs of career and
 1-26 technical education programs offered by the Texas State Technical
 1-27 College System.

1-28 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-29 SECTION 1. Article VII, Texas Constitution, is amended by
 1-30 adding Section 23 to read as follows:

1-31 Sec. 23. (a) The technical institution infrastructure fund
 1-32 and the available workforce education fund are established as
 1-33 special funds in the state treasury for the purpose of providing
 1-34 funding for capital projects and equipment purchases related to
 1-35 career and technical education programs offered by the Texas State
 1-36 Technical College System.

1-37 (b) The technical institution infrastructure fund consists
 1-38 of:

1-39 (1) money transferred or deposited to the credit of
 1-40 the fund; and

1-41 (2) any interest or other earnings attributable to the
 1-42 investment of money in the fund.

1-43 (c) The available workforce education fund consists of
 1-44 money distributed to the fund from the technical institution
 1-45 infrastructure fund as provided by this section.

1-46 (d) The board of regents of the Texas State Technical
 1-47 College System shall administer the technical institution
 1-48 infrastructure fund, which shall be invested in the manner and
 1-49 according to the standards provided for investment of the permanent
 1-50 university fund. The expenses of managing the investments of the
 1-51 fund shall be paid from the fund.

1-52 (e) The legislature may not appropriate money from the
 1-53 technical institution infrastructure fund for any purpose.

1-54 (f) For each state fiscal year, the board of regents of the
 1-55 Texas State Technical College System shall distribute an amount
 1-56 from the interest and other earnings attributable to the investment
 1-57 of money in the technical institution infrastructure fund to the
 1-58 available workforce education fund for purposes of this section.
 1-59 The amount of the distribution:

1-60 (1) must be:

1-61 (A) at least equal to the amount necessary to pay

2-1 the principal and interest due for that fiscal year on bonds and
2-2 notes issued under this section; and
2-3 (B) determined in a manner intended to:
2-4 (i) provide the available workforce
2-5 education fund with a stable and predictable stream of annual
2-6 distributions; and
2-7 (ii) maintain over time the purchasing
2-8 power of the technical institution infrastructure fund; and
2-9 (2) subject to Subdivision (1)(A) of this subsection,
2-10 may not exceed:
2-11 (A) if the purchasing power of the technical
2-12 institution infrastructure fund for any rolling 10-year period is
2-13 not preserved, the amount distributed for the preceding state
2-14 fiscal year until the purchasing power of the fund is restored; or
2-15 (B) seven percent of the average net fair market
2-16 value of the investment assets of the technical institution
2-17 infrastructure fund, as determined by the board of regents.
2-18 (g) Subject to Subsection (h) of this section, the board of
2-19 regents of the Texas State Technical College System may issue bonds
2-20 and notes in a total amount not to exceed 30 percent of the cost
2-21 value of the investments and other assets of the technical
2-22 institution infrastructure fund, other than real estate, at the
2-23 time of issuance, and may pledge all or any part of the system's
2-24 interest in the available workforce education fund to secure the
2-25 payment of principal and interest of those bonds and notes, for the
2-26 purpose of supporting the system administration and career and
2-27 technical education programs offered by component institutions of
2-28 the system.
2-29 (h) Bonds and notes may be issued under Subsection (g) of
2-30 this section only for the purpose of:
2-31 (1) acquiring land, either with or without permanent
2-32 improvements;
2-33 (2) constructing and equipping buildings or other
2-34 permanent improvements;
2-35 (3) major repair and rehabilitation of buildings and
2-36 other permanent improvements;
2-37 (4) acquiring capital equipment, including
2-38 instructional equipment, virtual reality or augmented reality
2-39 equipment, heavy industrial equipment, and vehicles;
2-40 (5) acquiring library books and materials, including
2-41 digital or electronic library books and materials; and
2-42 (6) refunding bonds or notes issued under this section
2-43 or prior law.
2-44 (i) The total amount of the annual distribution from the
2-45 technical institution infrastructure fund to the available
2-46 workforce education fund is appropriated to the board of regents of
2-47 the Texas State Technical College System for:
2-48 (1) payment of the principal and interest due on the
2-49 bonds and notes issued by the board of regents under this section
2-50 and prior law; and
2-51 (2) if any money remains after the payment of
2-52 principal and interest under Subdivision (1) of this subsection, a
2-53 purpose described by Subsection (h) of this section for the support
2-54 of the system administration and career and technical education
2-55 programs offered by component institutions of the system.
2-56 (j) The bonds and notes issued under this section shall be
2-57 payable solely out of the available workforce education fund,
2-58 mature serially or otherwise in not more than 30 years from the date
2-59 of issuance, and, except for refunding bonds, be sold only through
2-60 competitive biddings. Each bond or note is subject to approval by
2-61 the attorney general and, when so approved, is incontestable.
2-62 Money in the technical institution infrastructure fund may be
2-63 invested in these bonds and notes.
2-64 (k) Money appropriated under Subsection (i) of this section
2-65 that is not spent during the state fiscal year for which the
2-66 appropriation is made is retained by the Texas State Technical
2-67 College System and may be spent in a subsequent state fiscal year
2-68 for a purpose for which the appropriation was made.
2-69 (1) The Texas State Technical College System may not receive

3-1 money from the general revenue fund for a purpose for which the
 3-2 board of regents of the system may issue bonds or notes under this
 3-3 section, except that:

3-4 (1) in the case of fire, natural disaster, or man-made
 3-5 disaster, the legislature by majority vote of the membership of
 3-6 each house may appropriate to the system from the general revenue
 3-7 fund an amount sufficient to replace the uninsured loss of a
 3-8 building or other permanent improvement; and

3-9 (2) the legislature by two-thirds vote of the
 3-10 membership of each house may, in cases of demonstrated need clearly
 3-11 expressed in the act, appropriate to the system money from the
 3-12 general revenue fund for a purpose for which the board of regents of
 3-13 the system may issue bonds or notes under this section.

3-14 (1-1) Subsection (1) of this section does not apply to money
 3-15 appropriated before January 1, 2024, or for the payment of
 3-16 principal and interest due on bonds and notes issued under other law
 3-17 before January 1, 2024. This subsection expires January 1, 2054.

3-18 (m) Notwithstanding any other provision of this section,
 3-19 bonds and notes issued under this section, and money appropriated
 3-20 from the available workforce education fund under this section, may
 3-21 not be used for the purpose of constructing, equipping, repairing,
 3-22 or rehabilitating buildings or other permanent improvements that
 3-23 are to be used for intercollegiate athletics or auxiliary
 3-24 enterprises.

3-25 (n) An institution that is entitled to participate in
 3-26 dedicated funding provided by Section 17 or 18 of this article may
 3-27 not be entitled to participate in the funding provided by this
 3-28 section.

3-29 (o) This section does not impair any obligation created by
 3-30 the issuance of bonds or notes in accordance with prior law,
 3-31 including bonds or notes issued under Section 17 of this article
 3-32 before January 1, 2024, and all outstanding bonds and notes shall be
 3-33 paid in full, both principal and interest, in accordance with their
 3-34 terms. If this section conflicts with any other provision of this
 3-35 constitution, this section prevails.

3-36 (o-1) On January 1, 2024, the comptroller of public accounts
 3-37 shall transfer \$750 million of the unencumbered balance of the
 3-38 general revenue fund that exists on that date to the technical
 3-39 institution infrastructure fund. This subsection expires December
 3-40 31, 2024.

3-41 SECTION 2. Sections 17(b) and (c), Article VII, Texas
 3-42 Constitution, are amended to read as follows:

3-43 (b) The funds appropriated under Subsection (a) of this
 3-44 section shall be for the use of the following eligible agencies and
 3-45 institutions of higher education (even though their names may be
 3-46 changed):

3-47 (1) Texas A&M University--Commerce [~~East Texas State~~
 3-48 University including East Texas State University at Texarkana];

3-49 (2) Lamar University including Lamar State College--
 3-50 [~~University at~~] Orange and Lamar State College-- [~~University at~~
 3-51 Port Arthur;

3-52 (3) Midwestern State University;

3-53 (4) University of North Texas;

3-54 (5) [~~The University of Texas--Pan American including~~
 3-55 The University of Texas at Brownsville;

3-56 [~~(6)~~] Stephen F. Austin State University;

3-57 (6) [~~(7)~~] Texas College of Osteopathic Medicine;

3-58 (7) [~~(8)~~] Texas State University System
 3-59 Administration and the following component institutions:

3-60 (8) [~~(9)~~] Sam Houston State University;

3-61 (9) [~~(10)~~ Southwest] Texas State University;

3-62 (10) [~~(11)~~] Sul Ross State University including Rio
 3-63 Grande College [~~Uvalde Study Center~~];

3-64 (11) [~~(12)~~] Texas Southern University;

3-65 (12) [~~(13)~~] Texas Tech University;

3-66 (13) [~~(14)~~] Texas Tech University Health Sciences
 3-67 Center;

3-68 (14) [~~(15)~~] Angelo State University;

3-69 (15) [~~(16)~~] Texas Woman's University;

