

RESOLUTION ANALYSIS

H.J.R. 203
By: Wilson
Higher Education
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The resolution's author has informed the committee that Texas faces a declining health care workforce that is struggling to meet the demands of the state's growing population. The resolution's author has also informed the committee that dedicated funding for health care workforce education would enable academic institutions to increase the production of health care professional degrees in alignment with the governor's priority to invest millions in job training grants, aimed at equipping students for high-demand, well-paying jobs within the health care sector. H.J.R. 203 seeks to address Texas' workforce needs by establishing the Texas Health Care Workforce Education Fund.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this resolution does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.J.R. 203 proposes an amendment to the Texas Constitution to establish the Texas Health Care Workforce Education Fund for the purpose of providing a dedicated, independent, and equitable source of funding to enable comprehensive regional universities in Texas to address Texas' health care workforce needs. The fund consists of the following:

- money appropriated, credited, or transferred to the fund by the legislature;
- gifts, grants, and donations received for purposes of the fund; and
- investment earnings and interest earned on amounts credited to the fund.

H.J.R. 203 requires the legislature to provide for administration of the fund, which must be invested in the manner and according to the standards provided for investment of the permanent university fund, and requires the expenses of managing the fund and its assets to be paid from the fund. The resolution authorizes the legislature, in each state fiscal biennium, to appropriate all or a portion of the total return on all investment assets of the fund to carry out the purposes for which the fund is established.

H.J.R. 203 requires the legislature to biennially allocate the amounts appropriated under the resolution's provisions, or provide for a biennial allocation of those amounts, to eligible state universities to carry out the purposes of the fund. The resolution requires the money to be allocated based on an equitable formula established by the legislature or an agency designated by the legislature. The resolution requires the legislature to review and as appropriate adjust, or

provide for a review and adjustment of, the allocation formula at the end of each state fiscal biennium.

H.J.R. 203 establishes that the portion of the total return on investment assets of the fund that is available for appropriation in a state fiscal biennium is the portion determined by the legislature, or an agency designated by the legislature, as necessary to provide as nearly as practicable a stable and predictable stream of annual distributions to eligible state universities and to maintain over time the purchasing power of fund investment assets. The resolution prohibits the distribution, if the purchasing power of fund investment assets for any rolling 10-year period is not preserved, from being increased until the purchasing power of the fund investment assets is restored. The resolution caps the amount appropriated from the fund in any fiscal year at an amount equal to seven percent of the average net fair market value of the investment assets of the fund, as determined by law. Until the fund has been invested for a period of time sufficient to determine the purchasing power over a 10-year period, the legislature may provide by law for means of preserving the purchasing power of the fund.

H.J.R. 203 requires the legislature to establish criteria by which a state university may become eligible to receive a portion of the distributions from the fund. The resolution restricts an eligible state university's use of the distributions from the fund to supporting and maintaining educational and general activities that address the health care workforce needs of Texas. The resolution authorizes the legislature by general law to provide that a state university that receives a distribution from the fund in a state fiscal biennium may use the funds in a subsequent state fiscal biennium without further appropriation.

H.J.R. 203 provides for the following for purposes of the restriction on the rate of growth of appropriations under the Texas Constitution:

- money in the fund is dedicated by the constitution; and
- an appropriation of state tax revenues for the purpose of depositing money to the credit of the fund is treated as if it were an appropriation of revenues dedicated by the constitution.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 4, 2025.