By: Wilson, Shaheen, Tinderholt, Howard, VanDeaver, et al.

H.B. No. 42

A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the amount and allocation of the annual constitutional
- 3 appropriation to certain agencies and institutions of higher
- 4 education and to the permissible uses of that money.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. (a) This section takes effect only if the
- 7 constitutional amendment proposed by the 89th Legislature, Regular
- 8 Session, 2025, providing for the creation of funds to support the
- 9 capital needs of educational programs offered by the Texas State
- 10 Technical College System is approved by the voters.
- 11 (b) Section 62.021, Education Code, is amended by amending
- 12 Subsection (a) and adding Subsections (a-1) and (a-2) to read as
- 13 follows:
- 14 (a) In each state fiscal year beginning with the state
- 15 fiscal year ending August 31, $\underline{2027}$ [$\underline{2021}$], an eligible institution
- 16 is entitled to receive an amount allocated in accordance with this
- 17 section from the funds appropriated for that year by Section 17(a),
- 18 Article VII, Texas Constitution. The comptroller shall distribute
- 19 funds allocated under this subsection only on presentation of a
- 20 claim and issuance of a warrant in accordance with Section 403.071,
- 21 Government Code. An eligible institution may not present a claim
- 22 to be paid from any funds allocated under this subsection before the
- 23 delivery of goods or services described in Section 17, Article VII,
- 24 Texas Constitution, except for the payment of principal or interest

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- 1 on bonds or notes or for a payment for a book or other published
- 2 library material as authorized by Section 2155.386, Government
- 3 Code. The allocation of funds under this subsection is made in
- 4 accordance with an equitable formula consisting of the following
- 5 elements: space deficit, facilities condition, and institutional
- 7 Technical College System]. The annual amounts allocated by the
- 8 formula are as follows:
- 9 (1) to the following component institutions of the
- 10 University of North Texas System:
- (A) \$103,401,605 [\$38,473,304] to the University
- 12 of North Texas and its branch campus the University of North Texas
- 13 at Frisco, allocated as determined by the board of regents of the
- 14 system;
- (B) \$33,295,551 [\$15,581,837] to the University
- 16 of North Texas Health Science Center at Fort Worth; and
- (C) \$10,176,145 [\$3,455,644] to the University
- 18 of North Texas at Dallas;
- 19 (2) to the following component institutions of the
- 20 Texas State University System:
- (A) $\frac{$32,210,235}{}$ [$\frac{$13,537,649}{}$] to Lamar
- 22 University;
- (B) $\frac{$11,501,946}{}$ [$\frac{$2,630,158}{}$] to the Lamar
- 24 Institute of Technology;
- (C) \$7,645,173 [\$1,533,301] to Lamar State
- 26 College--Orange;
- (D) \$9,856,421 [\$2,283,992] to Lamar State

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1 College--Port Arthur;
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- 2 (E) $\frac{$36,218,217}{}$ [$\frac{$18,787,013}{}$] to Sam Houston
- 3 State University;
- 4 (F) \$10,819,040 to Sam Houston State University
- 5 College of Osteopathic Medicine;
- 6 (G) \$91,594,285 [\$38,741,061] to Texas State
- 7 University;
- 8 (H) \$6,284,289 [(C) \$2,216,640] to Sul Ross
- 9 State University; and
- 10 (I) \$3,407,790 [(H) \$487,157] to Sul Ross State
- 11 University-Rio Grande College;
- 12 (3) \$19,354,930 [\$12,072,906] to Texas Southern
- 13 University;
- 14 (4) to the following component institutions of the
- 15 Texas Tech University System:
- 16 (A) \$131,225,583 [\$51,379,461] to Texas Tech
- 17 University;
- (B) $\frac{$44,977,109}{$}$ [$\frac{$22,305,642}{$}$] to Texas Tech
- 19 University Health Sciences Center and its branch campuses Texas
- 20 Tech University Health Sciences Center at Abilene and Texas Tech
- 21 University Health Sciences Center at Dallas, allocated as
- 22 determined by the board of regents of the system;
- (C) $\frac{$15,582,526}{}$ [\$\frac{\$6,997,943}{}\$] to Angelo State
- 24 University;
- (D) \$17,155,861 [\$5,725,243] to Texas Tech
- 26 University Health Sciences Center--El Paso; and
- (E) \$10,352,117 [\$5,082,034] to Midwestern State

```
1
    University;
                     $30,610,326 [$14,993,229] to
 2
                (5)
                                                         the
                                                               component
    institutions of the Texas Woman's University System, allocated as
 3
    determined by the board of regents of the system;
 4
 5
                (6) to the following component institutions of the
    University of Houston System:
 6
 7
                          $112,236,829 [$56,158,685] to the University
                     (A)
8
    of Houston;
 9
                          \$8,397,495 \ [\$3,649,703] to the University of
                     (B)
    Houston--Victoria;
10
                          $14,968,216 [$7,959,137] to the University
11
    of Houston--Clear Lake; [and]
12
                          $21,881,515 [\$11,155,034] to the University
13
                      (D)
14
    of Houston--Downtown; and
15
                     (E) $7,947,133 to the University of Houston
    College of Medicine; and
16
17
                (7) to the following component institutions of The
    Texas A&M University System:
18
19
                          $25,075,189
                                        [<del>$11,825,139</del>]
                                                         to
                                                             Texas
                                                                     A&M
    University--Corpus Christi;
20
21
                          $17,666,749
                                       [<del>$7,687,534</del>]
                      (B)
                                                        to
                                                             Texas
                                                                     A&M
22
    International University;
                          $15,563,520
23
                      (C)
                                         [\$9,125,307]
                                                        to
                                                             Texas
                                                                     A&M
24
    University--Kingsville;
25
                          $17,341,425 [$7,671,155] to West Texas A&M
                     (D)
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\$19,768,680 [\$11,459,464] to East Texas A&M

26

27

University;

(E)

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```
University [University--Commerce]; and
 1
 2
                    (F)
                         $6,335,816 [<del>$2,112,129</del>]
                                                     to
                                                          Texas
                                                                  A&M
 3
   University--Texarkana[; and
 4
               [(8) $8,662,500 to the Texas State Technical College
   System Administration and the following component campuses, but not
 5
    its extension centers or programs:
 6
 7
                     [(A) Texas State Technical College-Harlingen;
 8
                     [(B) Texas State Technical College--Marshall;
                     [(C) Texas State Technical College--West Texas;
 9
10
                     [(D) Texas State Technical College--Waco;
                     [(E) Texas State Technical College--Fort Bend;
11
12
   and
13
                                  State Technical College--North
14
   Texas].
15
          (a-1) In the state fiscal year ending August 31, 2026, an
   eligible institution is entitled to receive an amount allocated in
16
17
   accordance with this section from the funds appropriated for that
   year by Section 17(a), Article VII, Texas Constitution.
18
19
   comptroller shall distribute funds allocated under this subsection
   only on presentation of a claim and issuance of a warrant in
20
   accordance with Section 403.071, Government Code. An eligible
21
   institution may not present a claim to be paid from any funds
22
   allocated under this subsection before the delivery of goods or
23
24
   services described in Section 17, Article VII, Texas Constitution,
   except for the payment of principal or interest on bonds or notes or
25
26
   for a payment for a book or other published library material as
    authorized by Section 2155.386, Government Code. The allocation
27
```

- 1 of funds under this subsection is made in accordance with an
- 2 equitable formula consisting of the following elements: space
- 3 deficit, facilities condition, institutional complexity, and a
- 4 separate allocation for the Texas State Technical College
- 5 System. The annual amounts allocated by the formula are as
- 6 follows:
- 7 (1) to the following component institutions of the
- 8 <u>University of North Texas System:</u>
- 9 (A) \$101,017,531 to the University of North Texas
- 10 and its branch campus the University of North Texas at Frisco,
- 11 allocated as determined by the board of regents of the system;
- (B) \$32,573,987 to the University of North Texas
- 13 Health Science Center at Fort Worth; and
- 14 (C) \$9,987,632 to the University of North Texas
- 15 <u>at Dallas;</u>
- 16 (2) to the following component institutions of the
- 17 <u>Texas State University System:</u>
- 18 (A) \$31,475,992 to Lamar University;
- 19 (B) \$11,281,002 to the Lamar Institute of
- 20 Technology;
- (C) \$7,515,016 to Lamar State College--Orange;
- (D) \$9,675,280 to Lamar State College--Port
- 23 Arthur;
- (E) \$35,383,153 to Sam Houston State University;
- 25 (F) \$10,615,704 to Sam Houston State University
- 26 College of Osteopathic Medicine;
- 27 (G) \$89,482,446 to Texas State University;

1	(H) \$6,185,508 to Sul Ross State University; and
2	(I) \$3,375,332 to Sul Ross State University-Ric
3	Grande College;
4	(3) \$18,943,400 to Texas Southern University;
5	(4) to the following component institutions of the
6	Texas Tech University System:
7	(A) \$128,199,988 to Texas Tech University;
8	(B) \$43,986,210 to Texas Tech University Health
9	Sciences Center and its branch campuses Texas Tech University
10	Health Sciences Center at Abilene and Texas Tech University Health
11	Sciences Center at Dallas, allocated as determined by the board of
12	regents of the system;
13	(C) \$15,250,267 to Angelo State University;
14	(D) \$16,806,421 to Texas Tech University Health
15	Sciences CenterEl Paso; and
16	(E) \$10,159,546 to Midwestern State University;
17	(5) \$29,920,254 to the component institutions of the
18	Texas Woman's University System, allocated as determined by the
19	board of regents of the system;
20	(6) to the following component institutions of the
21	University of Houston System:
22	(A) \$109,649,047 to the University of Houston;
23	(B) \$8,249,991 to the University of
24	HoustonVictoria;
25	(C) \$14,659,572 to the University of
26	HoustonClear Lake;
27	(D) \$21,396,280 to the University of

1	HoustonDowntown; and
2	(E) \$7,810,013 to the University of Houston
3	College of Medicine;
4	(7) to the following component institutions of The
5	Texas A&M University System:
6	(A) \$24,523,894 to Texas A&M UniversityCorpus
7	<pre>Christi;</pre>
8	(B) \$17,294,100 to Texas A&M International
9	University;
10	(C) \$15,245,069 to Texas A&M
11	<u>UniversityKingsville;</u>
12	(D) \$16,975,295 to West Texas A&M University;
13	(E) \$19,335,200 to East Texas A&M University; and
14	(F) \$6,235,848 to Texas A&M
15	UniversityTexarkana; and
16	(8) \$19,642,738 to the Texas State Technical College
17	System Administration and the following component campuses, but not
18	its extension centers or programs:
19	(A) Texas State Technical College-Harlingen;
20	(B) Texas State Technical CollegeMarshall;
21	(C) Texas State Technical CollegeWest Texas;
22	(D) Texas State Technical CollegeWaco;
23	(E) Texas State Technical CollegeFort Bend
24	<pre>County;</pre>
25	(F) Texas State Technical CollegeNorth Texas;
26	and
27	(G) Texas State Technical CollegeEast

- 1 Williamson County.
- 2 (a-2) Subsection (a-1) and this subsection expire September
- 3 <u>1, 2</u>027.
- 4 SECTION 2. (a) This section takes effect only if the
- 5 constitutional amendment proposed by the 89th Legislature, Regular
- 6 Session, 2025, providing for the creation of funds to support the
- 7 capital needs of educational programs offered by the Texas State
- 8 Technical College System is not approved by the voters.
- 9 (b) Section 62.021(a), Education Code, is amended to read as
- 10 follows:
- 11 (a) In each state fiscal year beginning with the state
- 12 fiscal year ending August 31, 2026 [2021], an eligible institution
- 13 is entitled to receive an amount allocated in accordance with this
- 14 section from the funds appropriated for that year by Section 17(a),
- 15 Article VII, Texas Constitution. The comptroller shall distribute
- 16 funds allocated under this subsection only on presentation of a
- 17 claim and issuance of a warrant in accordance with Section 403.071,
- 18 Government Code. An eligible institution may not present a claim
- 19 to be paid from any funds allocated under this subsection before the
- 20 delivery of goods or services described in Section 17, Article VII,
- 21 Texas Constitution, except for the payment of principal or interest
- 22 on bonds or notes or for a payment for a book or other published
- 23 library material as authorized by Section 2155.386, Government
- 24 Code. The allocation of funds under this subsection is made in
- 25 accordance with an equitable formula consisting of the following
- 26 elements: space deficit, facilities condition, institutional
- 27 complexity, and a separate allocation for the Texas State Technical

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- 1 College System. The annual amounts allocated by the formula are as
- 2 follows:
- 3 (1) to the following component institutions of the
- 4 University of North Texas System:
- 5 (A) \$101,017,531 [\$38,473,304] to the University
- 6 of North Texas and its branch campus the University of North Texas
- 7 at Frisco, allocated as determined by the board of regents of the
- 8 system;
- 9 (B) \$32,573,987 [\$15,581,837] to the University
- 10 of North Texas Health Science Center at Fort Worth; and
- (C) \$9,987,632 [\$3,455,644] to the University of
- 12 North Texas at Dallas;
- 13 (2) to the following component institutions of the
- 14 Texas State University System:
- (A) $\frac{$31,475,992}{}$ [$\frac{$13,537,649}{}$] to Lamar
- 16 University;
- (B) \$11,281,002 [\$2,630,158] to the Lamar
- 18 Institute of Technology;
- (C) \$7,515,016 [\$1,533,301] to Lamar State
- 20 College--Orange;
- (D) $\frac{\$9,675,280}{\$2,283,992}$ to Lamar State
- 22 College--Port Arthur;
- (E) $\frac{$35,383,153}{}$ [\$\frac{\$18,787,013}{}\$] to Sam Houston
- 24 State University;
- 25 (F) \$10,615,704 to Sam Houston State University
- 26 College of Osteopathic Medicine;
- (G) \$89,482,446 [\$38,741,061] to Texas State

- 1 University;
- 2 (H) \$6,185,508 [(G) \$2,216,640] to Sul Ross State
- 3 University; and
- 4 (I) \$3,375,332 [(H) \$487,157] to Sul Ross State
- 5 University-Rio Grande College;
- 6 (3) $\frac{$18,943,400}{}$ [$\frac{$12,072,906}{}$] to Texas Southern
- 7 University;
- 8 (4) to the following component institutions of the
- 9 Texas Tech University System:
- 10 (A) \$128,199,988 [\$51,379,461] to Texas Tech
- 11 University;
- 12 (B) \$43,986,210 [\$22,305,642] to Texas Tech
- 13 University Health Sciences Center <u>and its branch campuses Texas</u>
- 14 Tech University Health Sciences Center at Abilene and Texas Tech
- 15 University Health Sciences Center at Dallas, allocated as
- 16 determined by the board of regents of the system;
- (C) \$15,250,267 [\$6,997,943] to Angelo State
- 18 University;
- (D) $\frac{\$16,806,421}{\$5,725,243}$ to Texas Tech
- 20 University Health Sciences Center--El Paso; and
- (E) $\frac{$10,159,546}{$10,159,546}$ [\$5,082,034] to Midwestern State
- 22 University;
- (5) $\frac{$29,920,254}{}$ [$\frac{$14,993,229}{}$] to the component
- 24 institutions of the Texas Woman's University System, allocated as
- 25 determined by the board of regents of the system;
- 26 (6) to the following component institutions of the
- 27 University of Houston System:

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- 1 (A) $\frac{109,649,047}{9,047}$ [\$56,158,685] to the University
- 2 of Houston;
- 3 (B) $\$8,249,991 \ [\$3,649,703]$ to the University of
- 4 Houston--Victoria;
- 5 (C) \$14,659,572 [\$7,959,137] to the University
- 6 of Houston--Clear Lake; [and]
- 7 (D) $\frac{$21,396,280}{}$ [$\frac{$11,155,034}{}$] to the University
- 8 of Houston--Downtown; and
- 9 (E) \$7,810,013 to the University of Houston
- 10 College of Medicine;
- 11 (7) to the following component institutions of The
- 12 Texas A&M University System:
- (A) $\frac{$24,523,894}{}$ [$\frac{$11,825,139}{}$] to Texas A&M
- 14 University--Corpus Christi;
- (B) $\frac{$17,294,100}{$17,687,534}$ to Texas A&M
- 16 International University;
- 17 (C) \$15,245,069 [\$9,125,307] to Texas A&M
- 18 University--Kingsville;
- (D) $$16,975,295 \ [\frac{$7,671,155}{}]$ to West Texas A&M
- 20 University;
- (E) $\frac{$19,335,200}{$11,459,464}$ to <u>East</u> Texas A&M
- 22 University [University--Commerce]; and
- (F) $\frac{\$6,235,848}{\$6,235,848}$ [\frac{\\$2,112,129}{\\$2}] to Texas A&M
- 24 University--Texarkana; and
- (8) \$19,642,738 [\$8,662,500] to the Texas State
- 26 Technical College System Administration and the following
- 27 component campuses, but not its extension centers or programs:

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1
                     (A)
                         Texas State Technical College-Harlingen;
 2
                         Texas State Technical College--Marshall;
                     (B)
 3
                     (C)
                         Texas State Technical College--West Texas;
                         Texas State Technical College--Waco;
 4
                     (D)
 5
                         Texas State Technical College--Fort Bend
                     (E)
   County; [and]
 6
 7
                         Texas State Technical College--North Texas;
                     (F)
   <u>and</u>
8
 9
                    (G) Texas State Technical College--East
10
   Williamson County.
          SECTION 3. Section 62.021, Education Code, is amended by
11
12
   adding Subsection (c-1) to read as follows:
          (c-1) Each governing board participating in the
13
14
   distribution of funds as described in this section may in its sole
15
   discretion use the funds to pay the principal and interest of bonds
   that were issued under Chapter 55 and the proceeds of which were
16
17
   spent for a purpose described in Section 17(a), Article VII, Texas
18
   Constitution.
          SECTION 4. Section 62.024, Education Code, is amended to
19
   read as follows:
20
21
          Sec. 62.024. AMOUNT
                                  OF
                                         ALLOCATION
                                                       INCREASED.
                                                                    Τn
   accordance with Section 17(a), Article VII, Texas Constitution, for
22
23
    each state fiscal year beginning with the state fiscal year ending
   August 31, 2026 [2017], the amount of the annual constitutional
24
   appropriation under that subsection is increased to $892,851,716
25
26
    [$393.75 million]. [Before the state fiscal year ending August 31,
    2017, the amount of the annual constitutional appropriation under
2.7
```

1 that subsection is \$262.5 million.

- 2 SECTION 5. Section 62.027(c), Education Code, is amended to
- 3 read as follows:
- 4 (c) The increase provided by the amendment to Section 62.024
- 5 enacted by the 89th [84th] Legislature, Regular Session, 2025
- 6 $[\frac{2015}{2015}]$, in the amount of the appropriation made under Section
- 7 17(a), Article VII, Texas Constitution, for each state fiscal year
- 8 beginning with the state fiscal year ending August 31, 2026 [2017],
- 9 constitutes the increase in accordance with Section 17(a) that the
- 10 legislature considers appropriate for the five-year period
- 11 beginning September 1, 2025 [2015].
- 12 SECTION 6. Section 62.021(e-2), Education Code, is
- 13 repealed.
- 14 SECTION 7. The amounts allocated under Section 62.021,
- 15 Education Code, as amended by this Act, apply to each state fiscal
- 16 year beginning with the state fiscal year beginning September 1,
- 17 2025.
- 18 SECTION 8. Contingent on the passage and becoming law of
- 19 S.B. 2361 or similar legislation of the 89th Legislature, Regular
- 20 Session, 2025, relating to the transfer of the University of
- 21 Houston--Victoria to The Texas A&M University System, the amounts
- 22 allocated to the University of Houston--Victoria under Section
- 23 62.021, Education Code, as amended by this Act, are allocated to the
- 24 university as transferred to The Texas A&M University System.
- 25 SECTION 9. (a) Except as provided by Subsection (b) of
- 26 this section, this Act takes effect September 1, 2025.
- 27 (b) Sections 4 and 5 of this Act take effect as provided by

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- 1 Subsection (a) of this section only if this Act is approved by a
- 2 vote of two-thirds of the membership of each house of the
- 3 legislature as required by Section 17(a), Article VII, Texas
- 4 Constitution.