

By: Wilson, Shaheen, Tinderholt, Howard,
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H.B. No. 42

A BILL TO BE ENTITLED

AN ACT

relating to the amount and allocation of the annual constitutional appropriation to certain agencies and institutions of higher education and to the permissible uses of that money.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. (a) This section takes effect only if the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, providing for the creation of funds to support the capital needs of educational programs offered by the Texas State Technical College System is approved by the voters.

(b) Section 62.021, Education Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (a-2) to read as follows:

(a) In each state fiscal year beginning with the state fiscal year ending August 31, 2027 [~~2021~~], an eligible institution is entitled to receive an amount allocated in accordance with this section from the funds appropriated for that year by Section 17(a), Article VII, Texas Constitution. The comptroller shall distribute funds allocated under this subsection only on presentation of a claim and issuance of a warrant in accordance with Section 403.071, Government Code. An eligible institution may not present a claim to be paid from any funds allocated under this subsection before the delivery of goods or services described in Section 17, Article VII, Texas Constitution, except for the payment of principal or interest

on bonds or notes or for a payment for a book or other published library material as authorized by Section 2155.386, Government Code. The allocation of funds under this subsection is made in accordance with an equitable formula consisting of the following elements: space deficit, facilities condition, and institutional complexity~~[, and a separate allocation for the Texas State Technical College System]~~. The annual amounts allocated by the formula are as follows:

(1) to the following component institutions of the University of North Texas System:

(A) \$103,401,605 [~~\$38,473,304~~] to the University of North Texas and its branch campus the University of North Texas at Frisco, allocated as determined by the board of regents of the system;

(B) \$33,295,551 [~~\$15,581,837~~] to the University of North Texas Health Science Center at Fort Worth; and

(C) \$10,176,145 [~~\$3,455,644~~] to the University of North Texas at Dallas;

(2) to the following component institutions of the Texas State University System:

(A) \$32,210,235 [~~\$13,537,649~~] to Lamar University;

(B) \$11,501,946 [~~\$2,630,158~~] to the Lamar Institute of Technology;

(C) \$7,645,173 [~~\$1,533,301~~] to Lamar State College--Orange;

(D) \$9,856,421 [~~\$2,283,992~~] to Lamar State

1 College--Port Arthur;
2 (E) \$36,218,217 [~~\$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 [~~(G) \$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;
18 (B) \$44,977,109 [~~\$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;
23 (C) \$15,582,526 [~~\$6,997,943~~] to Angelo State
24 University;
25 (D) \$17,155,861 [~~\$5,725,243~~] to Texas Tech
26 University Health Sciences Center--El Paso; and
27 (E) \$10,352,117 [~~\$5,082,034~~] to Midwestern State

University;

(5) \$30,610,326 [~~\$14,993,229~~] to the component institutions of the Texas Woman's University System, allocated as determined by the board of regents of the system;

(6) to the following component institutions of the University of Houston System:

(A) \$112,236,829 [~~\$56,158,685~~] to the University of Houston;

(B) \$8,397,495 [~~\$3,649,703~~] to the University of Houston--Victoria;

(C) \$14,968,216 [~~\$7,959,137~~] to the University of Houston--Clear Lake; ~~and~~

(D) \$21,881,515 [~~\$11,155,034~~] to the University of Houston--Downtown; and

(E) \$7,947,133 to the University of Houston College of Medicine; and

(7) to the following component institutions of The Texas A&M University System:

(A) \$25,075,189 [~~\$11,825,139~~] to Texas A&M University--Corpus Christi;

(B) \$17,666,749 [~~\$7,687,534~~] to Texas A&M International University;

(C) \$15,563,520 [~~\$9,125,307~~] to Texas A&M University--Kingsville;

(D) \$17,341,425 [~~\$7,671,155~~] to West Texas A&M University;

(E) \$19,768,680 [~~\$11,459,464~~] to East Texas A&M

University [~~University--Commerce~~]; and

(F) \$6,335,816 [~~\$2,112,129~~] to Texas A&M
University--Texarkana[, ~~and~~

~~[(8) \$8,662,500 to the Texas State Technical College
System Administration and the following component campuses, but not
its extension centers or programs:~~

~~[(A) Texas State Technical College--Harlingen,~~

~~[(B) Texas State Technical College--Marshall,~~

~~[(C) Texas State Technical College--West Texas,~~

~~[(D) Texas State Technical College--Waco,~~

~~[(E) Texas State Technical College--Fort Bend,~~

~~and~~

~~[(F) Texas State Technical College--North
Texas].~~

(a-1) In the state fiscal year ending August 31, 2026, an
eligible institution is entitled to receive an amount allocated in
accordance with this section from the funds appropriated for that
year by Section 17(a), Article VII, Texas Constitution. The
comptroller shall distribute funds allocated under this subsection
only on presentation of a claim and issuance of a warrant in
accordance with Section 403.071, Government Code. An eligible
institution may not present a claim to be paid from any funds
allocated under this subsection before the delivery of goods or
services described in Section 17, Article VII, Texas Constitution,
except for the payment of principal or interest on bonds or notes or
for a payment for a book or other published library material as
authorized by Section 2155.386, Government Code. The allocation

of funds under this subsection is made in accordance with an equitable formula consisting of the following elements: space deficit, facilities condition, institutional complexity, and a separate allocation for the Texas State Technical College System. The annual amounts allocated by the formula are as follows:

(1) to the following component institutions of the University of North Texas System:

(A) \$101,017,531 to the University of North Texas and its branch campus the University of North Texas at Frisco, allocated as determined by the board of regents of the system;

(B) \$32,573,987 to the University of North Texas Health Science Center at Fort Worth; and

(C) \$9,987,632 to the University of North Texas at Dallas;

(2) to the following component institutions of the Texas State University System:

(A) \$31,475,992 to Lamar University;

(B) \$11,281,002 to the Lamar Institute of Technology;

(C) \$7,515,016 to Lamar State College--Orange;

(D) \$9,675,280 to Lamar State College--Port Arthur;

(E) \$35,383,153 to Sam Houston State University;

(F) \$10,615,704 to Sam Houston State University College of Osteopathic Medicine;

(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-Rio
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 Center--El 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 Houston--Victoria;

25 (C) \$14,659,572 to the University of
26 Houston--Clear Lake;

27 (D) \$21,396,280 to the University of

Houston--Downtown; and

(E) \$7,810,013 to the University of Houston
College of Medicine;

(7) to the following component institutions of The
Texas A&M University System:

(A) \$24,523,894 to Texas A&M University--Corpus
Christi;

(B) \$17,294,100 to Texas A&M International
University;

(C) \$15,245,069 to Texas A&M
University--Kingsville;

(D) \$16,975,295 to West Texas A&M University;

(E) \$19,335,200 to East Texas A&M University; and

(F) \$6,235,848 to Texas A&M
University--Texarkana; and

(8) \$19,642,738 to the Texas State Technical College
System Administration and the following component campuses, but not
its extension centers or programs:

(A) Texas State Technical College--Harlingen;

(B) Texas State Technical College--Marshall;

(C) Texas State Technical College--West Texas;

(D) Texas State Technical College--Waco;

(E) Texas State Technical College--Fort Bend
County;

(F) Texas State Technical College--North Texas;

and

(G) Texas State Technical College--East

Williamson County.

(a-2) Subsection (a-1) and this subsection expire September 1, 2027.

SECTION 2. (a) This section takes effect only if the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, providing for the creation of funds to support the capital needs of educational programs offered by the Texas State Technical College System is not approved by the voters.

(b) Section 62.021(a), Education Code, is amended to read as follows:

(a) In each state fiscal year beginning with the state fiscal year ending August 31, 2026 [~~2021~~], an eligible institution is entitled to receive an amount allocated in accordance with this section from the funds appropriated for that year by Section 17(a), Article VII, Texas Constitution. The comptroller shall distribute funds allocated under this subsection only on presentation of a claim and issuance of a warrant in accordance with Section 403.071, Government Code. An eligible institution may not present a claim to be paid from any funds allocated under this subsection before the delivery of goods or services described in Section 17, Article VII, Texas Constitution, except for the payment of principal or interest on bonds or notes or for a payment for a book or other published library material as authorized by Section 2155.386, Government Code. The allocation of funds under this subsection is made in accordance with an equitable formula consisting of the following elements: space deficit, facilities condition, institutional complexity, and a separate allocation for the Texas State Technical

College System. The annual amounts allocated by the formula are as follows:

(1) to the following component institutions of the University of North Texas System:

(A) \$101,017,531 [~~\$38,473,304~~] to the University of North Texas and its branch campus the University of North Texas at Frisco, allocated as determined by the board of regents of the system;

(B) \$32,573,987 [~~\$15,581,837~~] to the University of North Texas Health Science Center at Fort Worth; and

(C) \$9,987,632 [~~\$3,455,644~~] to the University of North Texas at Dallas;

(2) to the following component institutions of the Texas State University System:

(A) \$31,475,992 [~~\$13,537,649~~] to Lamar University;

(B) \$11,281,002 [~~\$2,630,158~~] to the Lamar Institute of Technology;

(C) \$7,515,016 [~~\$1,533,301~~] to Lamar State College--Orange;

(D) \$9,675,280 [~~\$2,283,992~~] to Lamar State College--Port Arthur;

(E) \$35,383,153 [~~\$18,787,013~~] to Sam Houston State University;

(F) \$10,615,704 to Sam Houston State University College of Osteopathic Medicine;

(G) \$89,482,446 [~~\$38,741,061~~] to Texas State

1 University;
2 (H) \$6,185,508 [~~(C) \$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) \$18,943,400 [~~\$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 and its branch campuses Texas
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;
17 (C) \$15,250,267 [~~\$6,997,943~~] to Angelo State
18 University;
19 (D) \$16,806,421 [~~\$5,725,243~~] to Texas Tech
20 University Health Sciences Center--El Paso; and
21 (E) \$10,159,546 [~~\$5,082,034~~] to Midwestern State
22 University;
23 (5) \$29,920,254 [~~\$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:

(A) \$109,649,047 [~~\$56,158,685~~] to the University of Houston;

(B) \$8,249,991 [~~\$3,649,703~~] to the University of Houston--Victoria;

(C) \$14,659,572 [~~\$7,959,137~~] to the University of Houston--Clear Lake; ~~and~~

(D) \$21,396,280 [~~\$11,155,034~~] to the University of Houston--Downtown; and

(E) \$7,810,013 to the University of Houston College of Medicine;

(7) to the following component institutions of The Texas A&M University System:

(A) \$24,523,894 [~~\$11,825,139~~] to Texas A&M University--Corpus Christi;

(B) \$17,294,100 [~~\$7,687,534~~] to Texas A&M International University;

(C) \$15,245,069 [~~\$9,125,307~~] to Texas A&M University--Kingsville;

(D) \$16,975,295 [~~\$7,671,155~~] to West Texas A&M University;

(E) \$19,335,200 [~~\$11,459,464~~] to East Texas A&M University [~~University--Commerce~~]; and

(F) \$6,235,848 [~~\$2,112,129~~] to Texas A&M University--Texarkana; and

(8) \$19,642,738 [~~\$8,662,500~~] to the Texas State Technical College System Administration and the following component campuses, but not its extension centers or programs:

- 1 (A) Texas State Technical College--Harlingen;
2 (B) Texas State Technical College--Marshall;
3 (C) Texas State Technical College--West Texas;
4 (D) Texas State Technical College--Waco;
5 (E) Texas State Technical College--Fort Bend
6 County; [and]
7 (F) Texas State Technical College--North Texas;
8 and
9 (G) Texas State Technical College--East
10 Williamson County.

11 SECTION 3. Section 62.021, Education Code, is amended by
12 adding Subsection (c-1) to read as follows:

13 (c-1) Each governing board participating in the
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
16 that were issued under Chapter 55 and the proceeds of which were
17 spent for a purpose described in Section 17(a), Article VII, Texas
18 Constitution.

19 SECTION 4. Section 62.024, Education Code, is amended to
20 read as follows:

21 Sec. 62.024. AMOUNT OF ALLOCATION INCREASED. In
22 accordance with Section 17(a), Article VII, Texas Constitution, for
23 each state fiscal year beginning with the state fiscal year ending
24 August 31, 2026 ~~[2017]~~, the amount of the annual constitutional
25 appropriation under that subsection is increased to \$892,851,716
26 ~~[\$393.75 million]~~. ~~[Before the state fiscal year ending August 31,~~
27 ~~2017, the amount of the annual constitutional appropriation under~~

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 ~~[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.