

## 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. Section 62.021, Education Code, is amended by amending Subsection (a) and adding Subsection (c-1) 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) \$65,142,741 [~~\$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) \$21,716,116 [~~\$15,581,837~~] to the University of North Texas Health Science Center at Fort Worth; and

(C) \$7,150,950 [~~\$3,455,644~~] to the University of North Texas at Dallas;

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

(A) \$20,427,341 [~~\$13,537,649~~] to Lamar University;

(B) \$7,956,305 [~~\$2,630,158~~] to the Lamar Institute of Technology;

(C) \$5,556,444 [~~\$1,533,301~~] to Lamar State College--Orange;

(D) \$6,949,525 [~~\$2,283,992~~] to Lamar State College--Port Arthur;

(E) \$22,817,382 [~~\$18,787,013~~] to Sam Houston State University;

(F) \$7,555,972 to Sam Houston State University College of Osteopathic Medicine;

1                    (G) \$57,704,160 [~~\$38,741,061~~] to Texas State  
2 University;  
3                    (H) \$4,699,091 [~~(G) \$2,216,640~~] to Sul Ross State  
4 University; and  
5                    (I) \$2,886,904 [~~(H) \$487,157~~] to Sul Ross State  
6 University-Rio Grande College;  
7                    (3) \$12,750,829 [~~\$12,072,906~~] to Texas Southern  
8 University;  
9                    (4) to the following component institutions of the  
10 Texas Tech University System:  
11                    (A) \$82,671,774 [~~\$51,379,461~~] to Texas Tech  
12 University;  
13                    (B) \$29,075,466 [~~\$22,305,642~~] to Texas Tech  
14 University Health Sciences Center and its branch campuses Texas  
15 Tech University Health Sciences Center at Abilene and Texas Tech  
16 University Health Sciences Center at Dallas, allocated as  
17 determined by the board of regents of the system;  
18                    (C) \$10,250,544 [~~\$6,997,943~~] to Angelo State  
19 University;  
20                    (D) \$11,548,153 [~~\$5,725,243~~] to Texas Tech  
21 University Health Sciences Center--El Paso; and  
22                    (E) \$7,261,812 [~~\$5,082,034~~] to Midwestern State  
23 University;  
24                    (5) \$19,536,274 [~~\$14,993,229~~] to the component  
25 institutions of the Texas Woman's University System, allocated as  
26 determined by the board of regents of the system;  
27                    (6) to the following component institutions of the

University of Houston System:

(A) \$70,708,909 [~~\$56,158,685~~] to the University of Houston;

(B) \$6,030,405 [~~\$3,649,703~~] to the University of Houston--Victoria;

(C) \$10,015,183 [~~\$7,959,137~~] to the University of Houston--Clear Lake; ~~and~~

(D) \$14,094,619 [~~\$11,155,034~~] to the University of Houston--Downtown; and

(E) \$5,746,678 to the University of Houston College of Medicine;

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

(A) \$16,228,184 [~~\$11,825,139~~] to Texas A&M University--Corpus Christi;

(B) \$11,686,588 [~~\$7,687,534~~] to Texas A&M International University;

(C) \$10,453,123 [~~\$9,125,307~~] to Texas A&M University--Kingsville;

(D) \$11,465,897 [~~\$7,671,155~~] to West Texas A&M University;

(E) \$12,812,330 [~~\$11,459,464~~] to East Texas A&M University [~~University--Commerce~~]; and

(F) \$4,731,552 [~~\$2,112,129~~] to Texas A&M University--Texarkana; and

(8) \$12,993,750 [~~\$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, a collective unit in Nolan, Taylor, Brown, and Stephens Counties;

(B) Texas State Technical College--Harrison County [~~College--Harlingen~~];

(C) [~~(B)~~] Texas State Technical College--McLennan County [~~College--Marshall~~];

(D) [~~(C)~~] Texas State Technical College, a collective unit of one or more locations in Ellis County [~~College--West Texas~~];

(E) [~~(D)~~] Texas State Technical College, a collective unit in Comal and Guadalupe Counties [~~College--Waco~~];

(F) [~~(E)~~] Texas State Technical College--Fort Bend County; [~~and~~]

(G) [~~(F)~~] Texas State Technical College--Denton County;

(H) Texas State Technical College, a collective unit of one or more locations in East Williamson County; and

(I) Texas State Technical College in Cameron County [~~College--North Texas~~].

(c-1) Each governing board participating in the distribution of funds as described in this section may in its sole discretion use the funds to pay the principal and interest of bonds that were issued under Chapter 55 and the proceeds of which were spent for a purpose described in Section 17(a), Article VII, Texas Constitution.

SECTION 2. Section 62.024, Education Code, is amended to

read as follows:

Sec. 62.024. AMOUNT OF ALLOCATION INCREASED. In accordance with Section 17(a), Article VII, Texas Constitution, for each state fiscal year beginning with the state fiscal year ending August 31, 2026 [~~2017~~], the amount of the annual constitutional appropriation under that subsection is increased to \$590,625,000 [~~\$393.75 million~~]. [~~Before the state fiscal year ending August 31, 2017, the amount of the annual constitutional appropriation under that subsection is \$262.5 million.~~]

SECTION 3. Section 62.027(c), Education Code, is amended to read as follows:

(c) The increase provided by the amendment to Section 62.024 enacted by the 89th [~~84th~~] Legislature, Regular Session, 2025 [~~2015~~], in the amount of the appropriation made under Section 17(a), Article VII, Texas Constitution, for each state fiscal year beginning with the state fiscal year ending August 31, 2026 [~~2017~~], constitutes the increase in accordance with Section 17(a) that the legislature considers appropriate for the five-year period beginning September 1, 2025 [~~2015~~].

SECTION 4. Section 62.021(e-2), Education Code, is repealed.

SECTION 5. The amounts allocated under Section 62.021, Education Code, as amended by this Act, apply to each state fiscal year beginning with the state fiscal year beginning September 1, 2025.

SECTION 6. Contingent on the passage and becoming law of S.B. 2361 or similar legislation of the 89th Legislature, Regular

1 Session, 2025, relating to the transfer of the University of  
2 Houston--Victoria to The Texas A&M University System, the amounts  
3 allocated to the University of Houston--Victoria under Section  
4 62.021, Education Code, as amended by this Act, are allocated to the  
5 university as transferred to The Texas A&M University System.

6 SECTION 7. (a) Except as provided by Subsection (b) of this  
7 section, this Act takes effect September 1, 2025.

8 (b) Sections 2 and 3 of this Act take effect as provided by  
9 Subsection (a) of this section only if this Act is approved by a  
10 vote of two-thirds of the membership of each house of the  
11 legislature as required by Section 17(a), Article VII, Texas  
12 Constitution.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I certify that H.B. No. 42 was passed by the House on May 6, 2025, by the following vote: Yeas 141, Nays 6, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 42 on May 29, 2025, by the following vote: Yeas 111, Nays 15, 2 present, not voting.

\_\_\_\_\_  
Chief Clerk of the House

I certify that H.B. No. 42 was passed by the Senate, with amendments, on May 27, 2025, by the following vote: Yeas 30, Nays 1.

\_\_\_\_\_  
Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

\_\_\_\_\_  
Governor