

By: Wilson

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. Section 62.021, Education Code, is amended by amending Subsection (a) and adding Subsections (a-1), (a-2) and (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) \$66,211,690 [~~\$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) \$20,765,997 [~~\$15,581,837~~] to the University of North Texas Health Science Center at Fort Worth; and

(C) \$7,094,726 [~~\$3,455,644~~] to the University of North Texas at Dallas;

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

(A) \$20,089,746 [~~\$13,537,649~~] to Lamar University;

(B) \$8,254,303 [~~\$2,630,158~~] to the Lamar Institute of Technology;

(C) \$5,184,597 [~~\$1,533,301~~] to Lamar State College--Orange;

(D) \$5,990,785 [~~\$2,283,992~~] to Lamar State College--Port Arthur;

(E) \$22,988,648 [~~\$18,787,013~~] to Sam Houston State University;

(F) \$55,028,264 [~~\$38,741,061~~] to Texas State University;

(G) \$4,633,243 [~~\$2,216,640~~] to Sul Ross State University; ~~and~~

(H) \$2,929,741 [~~\$487,157~~] to Sul Ross State University-Rio Grande College; and

(I) \$5,825,969 to Sam Houston State University College of Osteopathic Medicine;

(3) \$14,388,378 [~~\$12,072,906~~] to Texas Southern University;

(4) to the following component institutions of the Texas Tech University System:

(A) \$82,019,289 [~~\$51,379,461~~] to Texas Tech University;

(B) \$29,317,972 [~~\$22,305,642~~] to Texas Tech University Health Sciences Center;

(C) \$10,069,019 [~~\$6,997,943~~] to Angelo State University;

(D) \$10,659,472 [~~\$5,725,243~~] to Texas Tech University Health Sciences Center--El Paso; and

(E) \$7,340,986 [~~\$5,082,034~~] to Midwestern State University;

(5) \$19,808,482 [~~\$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) \$75,147,013 [~~\$56,158,685~~] to the University of Houston;

(B) \$6,366,800 [~~\$3,649,703~~] to the University of
Houston--Victoria;

(C) \$10,470,577 [~~\$7,959,137~~] to the University
of Houston--Clear Lake; ~~and~~

(D) \$14,866,227 [~~\$11,155,034~~] to the University
of Houston--Downtown; and

(E) \$4,799,064 to the University of Houston
College of Medicine;

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

(A) \$15,386,251 [~~\$11,825,139~~] to Texas A&M
University--Corpus Christi;

(B) \$11,911,395 [~~\$7,687,534~~] to Texas A&M
International University;

(C) \$10,424,459 [~~\$9,125,307~~] to Texas A&M
University--Kingsville;

(D) \$11,705,500 [~~\$7,671,155~~] to West Texas A&M
University;

(E) \$13,281,126 [~~\$11,459,464~~] to East Texas A&M
University [~~University--Commerce~~]; and

(F) \$4,671,529 [~~\$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-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;
and
(G) Texas State Technical College--East
Williamson County.

(a-1) In each state fiscal year beginning with the state
fiscal year ending August 31, 2027, 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. The annual amounts allocated by the formula are as
follows:

(1) to the following component institutions of the

University of North Texas System:

(A) \$67,815,750 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) \$21,220,626 to the University of North Texas Health Science Center at Fort Worth; and

(C) \$7,218,152 to the University of North Texas at Dallas;

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

(A) \$20,566,492 to Lamar University;

(B) \$8,406,665 to the Lamar Institute of Technology;

(C) \$5,261,748 to Lamar State College--Orange;

(D) \$6,087,467 to Lamar State College--Port Arthur;

(E) \$23,545,576 to Sam Houston State University;

(F) \$56,361,392 to Texas State University;

(G) \$4,697,037 to Sul Ross State University;

(H) \$2,952,266 to Sul Ross State University-Rio Grande College; and

(I) \$5,918,658 to Sam Houston State University College of Osteopathic Medicine;

(3) \$14,699,707 to Texas Southern University;

(4) to the following component institutions of the Texas Tech University System:

(A) \$84,006,307 to Texas Tech University;

1 (B) \$29,979,784 to Texas Tech University Health
2 Sciences Center;
3 (C) \$10,283,510 to Angelo State University;
4 (D) \$10,869,258 to Texas Tech University Health
5 Sciences Center--El Paso; and
6 (E) \$7,470,934 to Midwestern State University;
7 (5) \$20,272,798 to the component institutions of the
8 Texas Woman's University System, allocated as determined by the
9 board of regents of the system;
10 (6) to the following component institutions of the
11 University of Houston System:
12 (A) \$76,967,542 to the University of Houston;
13 (B) \$6,472,592 to the University of
14 Houston--Victoria;
15 (C) \$10,686,156 to the University of
16 Houston--Clear Lake;
17 (D) \$15,207,338 to the University of
18 Houston--Downtown; and
19 (E) \$4,866,875 to the University of Houston
20 College of Medicine;
21 (7) to the following component institutions of The
22 Texas A&M University System:
23 (A) \$15,729,462 to Texas A&M University--Corpus
24 Christi;
25 (B) \$12,162,028 to Texas A&M International
26 University;
27 (C) \$10,633,569 to Texas A&M

University--Kingsville;

(D) \$11,953,642 to West Texas A&M University;

(E) \$13,575,421 to East Texas A&M University; and

(F) \$4,736,250 to Texas A&M

University-Texarkana.

(a-2) Notwithstanding Subsections (a) and (a-1), if the constitutional amendment proposed by the 89th Legislature, Regular Session, 2023, relating to a permanent fund to support the capital needs of educational programs offered by the Texas State Technical College System is not approved by the voters, Subsection (a) of this section applies in each state fiscal year beginning with the state fiscal year ending August 31, 2026, and Subsection (a-1) of this section has no effect.

(c-1) Each governing board participating in the distribution of funds as described in this section may in its sole discretion use the funds for the payment of bonds as defined in Section 55.01 of this code, the proceeds of which were expended for any and all purposes described in Section 17, 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 [\$393.75] million.

~~[Before the state fiscal year ending August 31, 2017, the amount of~~

1 ~~the annual constitutional appropriation under that subsection is~~
2 ~~\$262.5 million.]~~

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

5 (c) The increase provided by the amendment to Section 62.024
6 enacted by the 89th ~~[84th]~~ Legislature, Regular Session, 2025
7 ~~[2015]~~, in the amount of the appropriation made under Section
8 17(a), Article VII, Texas Constitution, for each state fiscal year
9 beginning with the state fiscal year ending August 31, 2026 ~~[2017]~~,
10 constitutes the increase in accordance with Section 17(a) that the
11 legislature considers appropriate for the five-year period
12 beginning September 1, 2025 ~~[2015]~~.

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

15 SECTION 5. The amounts allocated under Section 62.021,
16 Education Code, as amended by this Act, apply to each state fiscal
17 year beginning with the state fiscal year beginning September 1,
18 2025.

19 SECTION 6. (a) Except as provided by Subsection (b) of this
20 section, this Act takes effect August 31, 2025.

21 (b) Sections 2 and 3 of this Act take effect only if this Act
22 is approved by a vote of two-thirds of the membership of each house
23 of the legislature as required by Section 17(a), Article VII, Texas
24 Constitution.