

By: Reynolds

H.B. No. 3301

A BILL TO BE ENTITLED

AN ACT

relating to establishing the permanent public school fund to reduce school district maintenance and operations ad valorem taxes and provide funding for public school prekindergarten programs.

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

SECTION 1. Subtitle I, Title 2, Education Code, is amended by adding Chapter 47A to read as follows:

CHAPTER 47A. PERMANENT PUBLIC SCHOOL FUND

Sec. 47A.001. DEFINITION. In this chapter, "fund" means the permanent public school fund.

Sec. 47A.002. FUND ESTABLISHED. (a) The permanent public school fund is a special fund in the state treasury outside the general revenue fund.

(b) The fund consists of:

(1) money appropriated by the legislature for deposit to the credit of the fund; and

(2) interest or other earnings attributable to the investment of money in the fund.

Sec. 47A.003. USES OF FUND. (a) The legislature may not appropriate money from the fund other than the interest or other earnings attributable to the investment of money in the fund.

(b) The interest or other earnings attributable to the investment of money in the fund may be appropriated only to:

(1) reduce school district maintenance and operations

1 ad valorem taxes by reducing the state compression percentage under  
2 Section 48.255; or

3 (2) provide funding for prekindergarten programs  
4 under Subchapter E, Chapter 29.

5 Sec. 47A.004. DEPOSIT OF MONEY. Not later than the first  
6 day of each state fiscal biennium, the comptroller shall deposit  
7 \$10 million to the credit of the fund.

8 Sec. 47A.005. INVESTMENT OF FUND. Notwithstanding Section  
9 404.024(b), Government Code, the comptroller shall invest money in  
10 the fund in:

11 (1) cryptocurrencies;

12 (2) corporate bonds;

13 (3) municipal bonds; and

14 (4) treasury bills issued by the United States  
15 government.

16 SECTION 2. This Act takes effect September 1, 2025.