

By: Lambert

H.J.R. No. 5

A JOINT RESOLUTION

1 proposing a constitutional amendment providing for the creation of  
2 funds to support the capital needs of educational programs offered  
3 by the Texas State Technical College System and repealing the  
4 limitation on the allocation to that system and its campuses of the  
5 annual appropriation of certain constitutionally dedicated funding  
6 for public institutions of higher education.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 SECTION 1. Article VII, Texas Constitution, is amended by  
9 adding Section 21 to read as follows:

10 Sec. 21. (a) In this section:

11 (1) "Available fund" means the available workforce  
12 education fund.

13 (2) "Permanent fund" means the permanent technical  
14 institution infrastructure fund.

15 (b) The permanent technical institution infrastructure fund  
16 and the available workforce education fund are established as  
17 special funds in the state treasury outside the general revenue  
18 fund to be administered as provided by this section without further  
19 appropriation for the purpose of providing a dedicated source of  
20 funding for capital projects and equipment purchases related to  
21 educational programs offered by the Texas State Technical College  
22 System.

23 (c) The permanent fund consists of:

24 (1) money appropriated, credited, transferred, or

1 deposited to the credit of the fund by this section or as authorized  
2 by other law;

3 (2) any interest or other earnings attributable to the  
4 investment of money in the fund; and

5 (3) gifts, grants, and donations made to the fund.

6 (d) The available fund consists of:

7 (1) money distributed to the fund from the permanent  
8 fund as provided by this section;

9 (2) money appropriated, credited, transferred, or  
10 deposited to the credit of the fund by this section or as authorized  
11 by other law;

12 (3) any interest or other earnings attributable to the  
13 investment of money in the fund; and

14 (4) gifts, grants, and donations made to the fund.

15 (e) The comptroller of public accounts or the board of  
16 regents of the Texas State Technical College System may establish  
17 accounts in the available fund as necessary to administer the fund  
18 or pay for projects authorized under this section.

19 (f) The comptroller of public accounts shall hold, manage,  
20 and invest the permanent fund. In managing the assets of the fund,  
21 the comptroller may acquire, exchange, sell, supervise, manage, or  
22 retain any kind of investment that a prudent investor, exercising  
23 reasonable care, skill, and caution, would acquire or retain in  
24 light of the purposes, terms, distribution needs, and other  
25 circumstances of the fund, taking into consideration the investment  
26 of all the assets of the fund rather than a single investment. The  
27 expenses of managing the investments of the fund shall be paid from

1 the fund.

2 (g) Money may not be appropriated or transferred from the  
3 permanent fund or the available fund except as provided by this  
4 section.

5 (h) The comptroller of public accounts shall determine the  
6 amount available for distribution from the permanent fund to the  
7 available fund for each fiscal year. The amount available for  
8 distribution:

9 (1) must be determined in a manner intended to:

10 (A) provide the available fund with a stable and  
11 predictable stream of annual distributions; and

12 (B) preserve over a rolling 10-year period the  
13 purchasing power of the permanent fund; and

14 (2) may not exceed 5.5 percent of the fair market value  
15 of the investment assets of the permanent fund, as determined by the  
16 comptroller.

17 (i) For each state fiscal year, on request of the board of  
18 regents of the Texas State Technical College System, the  
19 comptroller of public accounts shall distribute an amount that does  
20 not exceed the amount determined under Subsection (h) of this  
21 section from the permanent fund to the available fund for purposes  
22 of this section.

23 (j) The amount distributed from the permanent fund to the  
24 available fund under Subsection (i) of this section is appropriated  
25 to the board of regents of the Texas State Technical College System  
26 for:

27 (1) acquiring land, either with or without permanent

1 improvements;

2 (2) constructing and equipping buildings or other  
3 permanent improvements;

4 (3) major repair and rehabilitation of buildings and  
5 other permanent improvements;

6 (4) acquiring capital equipment, including  
7 instructional equipment, virtual reality or augmented reality  
8 equipment, heavy industrial equipment, and vehicles;

9 (5) acquiring library books and materials, including  
10 digital or electronic library books and materials;

11 (6) payment of the principal and interest due on the  
12 bonds and notes issued by the respective board of regents to finance  
13 permanent improvements as authorized by other law; and

14 (7) any other purpose authorized by general law.

15 (k) Notwithstanding any other provision of this section,  
16 money appropriated from the available fund under this section may  
17 not be used for the purpose of constructing, equipping, repairing,  
18 or rehabilitating buildings or other permanent improvements that  
19 are to be used for intercollegiate athletics or auxiliary  
20 enterprises.

21 (l) An institution, other than a component institution of  
22 the Texas State Technical College System, that is entitled to  
23 participate in dedicated funding provided by Section 17 or 18 of  
24 this article may not be entitled to participate in the funding  
25 provided by this section.

26 (m) This section does not impair any obligation created by  
27 the issuance of bonds or notes in accordance with prior law,

1 including bonds or notes issued under Section 17 of this article,  
2 and all outstanding bonds and notes shall be paid in full, both  
3 principal and interest, in accordance with their terms. If this  
4 section conflicts with any other provision of this constitution,  
5 this section prevails.

6 (n) Money appropriated under Subsection (j) of this section  
7 that is not spent during the state fiscal year for which the  
8 appropriation is made is retained by the Texas State Technical  
9 College System and may be spent in a subsequent state fiscal year  
10 for a purpose for which the appropriation was made.

11 (n-1) On January 1, 2026, the amount of \$850 million is  
12 appropriated from the general revenue fund to the comptroller of  
13 public accounts for the purpose of immediate deposit to the credit  
14 of the permanent fund. This subsection expires December 31, 2026.

15 (o) For purposes of Section 22, Article VIII, of this  
16 constitution:

17 (1) money in the permanent fund and the available fund  
18 is dedicated by this constitution; and

19 (2) an appropriation of state tax revenues for the  
20 purpose of depositing money to the credit of the permanent fund or  
21 the available fund is treated as if it were an appropriation of  
22 revenues dedicated by this constitution.

23 (p) If a board of regents of a higher education system,  
24 higher education system, institution of higher education, or state  
25 office referenced in this section is merged with another entity or  
26 dissolved or otherwise eliminated by law, the rights, privileges,  
27 benefits, entitlements, funding, duties, and obligations assigned

1 to that board of regents, system, institution, or state office by  
2 this section pass to its successor in function.

3 SECTION 2. Section 17(j), Article VII, Texas Constitution,  
4 is amended to read as follows:

5 (j) The state systems and institutions of higher education  
6 designated in this section may not receive any additional funds  
7 from the general revenue of the state, other than money  
8 appropriated under Section 21 of this article, for acquiring land  
9 with or without permanent improvements, for constructing or  
10 equipping buildings or other permanent improvements, or for major  
11 repair and rehabilitation of buildings or other permanent  
12 improvements except that:

13 (1) in the case of fire or natural disaster the  
14 legislature may appropriate from the general revenue an amount  
15 sufficient to replace the uninsured loss of any building or other  
16 permanent improvement; and

17 (2) the legislature, by two-thirds vote of each house,  
18 may, in cases of demonstrated need, which need must be clearly  
19 expressed in the body of the act, appropriate additional general  
20 revenue funds for acquiring land with or without permanent  
21 improvements, for constructing or equipping buildings or other  
22 permanent improvements, or for major repair and rehabilitation of  
23 buildings or other permanent improvements.

24 This subsection does not apply to legislative appropriations  
25 made prior to the adoption of this amendment.

26 SECTION 3. Section 18(c), Article VII, Texas Constitution,  
27 is amended to read as follows:

1           (c) Pursuant to a two-thirds vote of the membership of each  
2 house of the legislature, institutions of higher education may be  
3 created at a later date as a part of The University of Texas System  
4 or The Texas A&M University System by general law, and, when  
5 created, such an institution shall be entitled to participate in  
6 the funding provided by this section for the system in which it is  
7 created. An institution that is entitled to participate in  
8 dedicated funding provided by [~~Article VII,~~] Section 17 or 21[~~7~~] of  
9 this article [~~constitution~~] may not be entitled to participate in  
10 the funding provided by this section.

11           SECTION 4. Section 17(d-1), Article VII, Texas  
12 Constitution, is repealed.

13           SECTION 5. This proposed constitutional amendment shall be  
14 submitted to the voters at an election to be held November 4, 2025.  
15 The ballot shall be printed to permit voting for or against the  
16 proposition: "The constitutional amendment providing for the  
17 creation of the permanent technical institution infrastructure  
18 fund and the available workforce education fund to support the  
19 capital needs of educational programs offered by the Texas State  
20 Technical College System and repealing the limitation on the  
21 allocation to that system and its campuses of the annual  
22 appropriation of certain constitutionally dedicated funding for  
23 public institutions of higher education."