

By: Birdwell, Hinojosa of Hidalgo  
Hinojosa of Nueces

S.J.R. No. 59

SENATE JOINT RESOLUTION

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

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

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

Sec. 21. (a) In this section:

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

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

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

(c) The permanent fund consists of:

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

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

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

7           (d) The available fund consists of:

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

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

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

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

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

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

1 expenses of managing the investments of the fund shall be paid from  
2 the fund.

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

6 (h) The comptroller of public accounts shall determine the  
7 amount available for distribution from the permanent fund to the  
8 available fund for each fiscal year in accordance with a  
9 distribution policy adopted by the comptroller. The amount  
10 available for distribution:

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

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

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

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

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

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

1 for:

2 (1) acquiring land, either with or without permanent  
3 improvements;

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

6 (3) major repair and rehabilitation of buildings and  
7 other permanent improvements;

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

11 (5) acquiring library books and materials, including  
12 digital or electronic library books and materials;

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

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

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

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

1       (m) This section does not impair any obligation created by  
2 the issuance of bonds or notes in accordance with prior law,  
3 including bonds or notes issued under Section 17 of this article,  
4 and all outstanding bonds and notes shall be paid in full, both  
5 principal and interest, in accordance with their terms. If this  
6 section conflicts with any other provision of this constitution,  
7 this section prevails.

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

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

15       (j) The state systems and institutions of higher education  
16 designated in this section may not receive any additional funds  
17 from the general revenue of the state, other than money  
18 appropriated under Section 21 of this article, for acquiring land  
19 with or without permanent improvements, for constructing or  
20 equipping buildings or other permanent improvements, or for major  
21 repair and rehabilitation of buildings or other permanent  
22 improvements except that:

23               (1) in the case of fire or natural disaster the  
24 legislature may appropriate from the general revenue an amount  
25 sufficient to replace the uninsured loss of any building or other  
26 permanent improvement; and

27               (2) the legislature, by two-thirds vote of each house,

1 may, in cases of demonstrated need, which need must be clearly  
2 expressed in the body of the act, appropriate additional general  
3 revenue funds for acquiring land with or without permanent  
4 improvements, for constructing or equipping buildings or other  
5 permanent improvements, or for major repair and rehabilitation of  
6 buildings or other permanent improvements.

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

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

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

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

23 SECTION 5. This proposed constitutional amendment shall be  
24 submitted to the voters at an election to be held November 4, 2025.  
25 The ballot shall be printed to permit voting for or against the  
26 proposition: "The constitutional amendment providing for the  
27 creation of the permanent technical institution infrastructure

1 fund and the available workforce education fund to support the  
2 capital needs of educational programs offered by the Texas State  
3 Technical College System and repealing the limitation on the  
4 allocation to that system and its campuses of the annual  
5 appropriation of certain constitutionally dedicated funding for  
6 public institutions of higher education."