

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.

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

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

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

4 (d) The available fund consists of:

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

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

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

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

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

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

27 (g) Money may not be appropriated or transferred from the

1 permanent fund or the available fund except as provided by this
2 section.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 (m) This section does not impair any obligation created by
26 the issuance of bonds or notes in accordance with prior law,
27 including bonds or notes issued under Section 17 of this article,

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

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

10 (o) The sum of the amount allocated to the Texas State
11 Technical College System under Section 17 of this article and the
12 amount distributed to the system under this section may not exceed:

13 (1) for the state fiscal year beginning September 1,
14 2025, \$52 million; and

15 (2) for a state fiscal year beginning on or after
16 September 1, 2026, the amount determined under this subsection for
17 the preceding state fiscal year adjusted by the increase, if any, in
18 the rate of inflation during the preceding state fiscal year, as
19 determined by the comptroller of public accounts on the basis of
20 changes in the most recent construction cost index published by the
21 Engineering News-Record or, if that index is unavailable, a
22 comparable cost index determined by the comptroller.

23 (p) If the sum of the amounts described by Subsection (o) of
24 this section would exceed the limit provided under Subsection (o)
25 for a state fiscal year:

26 (1) the amount allocated to the system under Section
27 17 of this article shall be reduced until the limit is met or the

1 amount allocated is reduced to zero; and

2 (2) if necessary after the reduction under Subdivision
3 (1) of this subsection, the amount distributed to the system under
4 this section shall be reduced until the limit is met or the amount
5 distributed is reduced to zero.

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

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

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

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

27 This subsection does not apply to legislative appropriations

made prior to the adoption of this amendment.

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

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

SECTION 4. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment providing for the creation of the permanent technical institution infrastructure fund and the available workforce education fund to support the capital needs of educational programs offered by the Texas State Technical College System."

President of the Senate

Speaker of the House

I hereby certify that S.J.R. No. 59 was adopted by the Senate on May 8, 2025, by the following vote: Yeas 29, Nays 2; and that the Senate concurred in House amendment on May 28, 2025, by the following vote: Yeas 29, Nays 2.

Secretary of the Senate

I hereby certify that S.J.R. No. 59 was adopted by the House, with amendment, on May 25, 2025, by the following vote: Yeas 110, Nays 16, three present not voting.

Chief Clerk of the House

Received:

Date

Secretary of State