

By: Birdwell

S.J.R. No. 59

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

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

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

1 permanent improvement; and

2 (2) the legislature, by two-thirds vote of each house,
3 may, in cases of demonstrated need, which need must be clearly
4 expressed in the body of the act, appropriate additional general
5 revenue funds for acquiring land with or without permanent
6 improvements, for constructing or equipping buildings or other
7 permanent improvements, or for major repair and rehabilitation of
8 buildings or other permanent improvements.

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

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

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

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24 Constitution, is repealed.

25 SECTION 5. This proposed constitutional amendment shall be
26 submitted to the voters at an election to be held November 4, 2025.
27 The ballot shall be printed to permit voting for or against the

1 proposition: "The constitutional amendment providing for the
2 creation of the permanent technical institution infrastructure
3 fund and the available workforce education fund to support the
4 capital needs of educational programs offered by the Texas State
5 Technical College System and repealing the limitation on the
6 allocation to that system and its campuses of the annual
7 appropriation of certain constitutionally dedicated funding for
8 public institutions of higher education."