

BILL ANALYSIS

Senate Research Center
78R12792 ESH-D

C.S.S.J.R. 13
By: Ellis, Rodney
Education
5/1/2003
Committee Report (Substituted)

DIGEST AND PURPOSE

Since 1990, the permanent school fund has grown by over 100 percent with a significant increase in both realized and unrealized capital gains. C.S.S.J.R. 13 requires the submission to the voters of a constitutional amendment to use a portion of the income and application of the permanent school fund to provide a group health program for active and retired public school employees.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state, officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 5, Article VII, Texas Constitution, as follows:

Sec. 5. (a) Provides that the permanent school fund consists of all land appropriated for public schools by this constitution or the other laws of this state and other properties belonging to the permanent school fund, and all revenue derived from the land or other properties. Provides that the available school fund consists of the distributions made to it from the total return on all investment assets of the permanent school fund, the taxes authorized by this constitution or general law to be part of the available school fund, and appropriations made to the available school fund by the legislature. Requires the total amount distributed from the permanent school fund to the available school fund in each year of a state fiscal biennium to be a certain amount. Deletes existing language providing for the composition of the permanent school fund and the available school fund.

(b) Requires the expenses of managing permanent school fund land and investments to be paid by the permanent school fund.

(c) Created from existing text of Subsection (a). Requires the available school fund to be applied annually to the support of the public free schools. Prohibits the legislature from enacting a law appropriating any part of the permanent school fund or available school fund to any other purpose, except as provided by this section. Prohibits the permanent school fund and the available school fund from being appropriated to or used for the support of any sectarian school. Requires the available school fund to be distributed to the several counties according to their scholastic population and applied in the manner provided by law.

(d) Relettered from Subsection (b). Makes a conforming change.

(e) Relettered from Subsection (c). Makes a conforming change.

(f) Relettered from Subsection (d).

(g) Requires the total amount distributed from the permanent school fund to the available school fund for the state fiscal years beginning September 1, 2003, and September 1, 2004, notwithstanding Subsection (a) of this section, to be a certain

amount.

(h) Provides that Subsection (g) of this section and this subsection expire December 1, 2006.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 4, 2003. Requires the ballot to be printed to permit voting for or against the proposition: "The constitutional amendment relating to the use of income and appreciation of the permanent school fund."