

BILL ANALYSIS

Senate Research Center

S.B. 1545
By: Duncan
Education
4/11/2001
As Filed

DIGEST AND PURPOSE

In 1999, the 76th Legislature passed a constitutional amendment which was subsequently approved by the voters providing that the Available University Fund consists of distributions from the total return on all investments of the Permanent University Fund. Current state law prohibits public institutions of higher education from appropriating for expenditure the net unrealized appreciation of the assets of the endowment fund. As proposed, S.B. 1545 amends the Education Code and the Property Code to conform with the provisions of the constitutional amendment relating to the composition of the Available University Fund.

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 51.0031(d), Education Code, to redefine “prudent person standard.”

SECTION 2. Amends Section 163.004(a), Property Code, to make a conforming change.

SECTION 3. Repealer: Section 163.004(e), Property Code.

SECTION 4. Effective date: upon passage or August 27, 2001.