School
Pleasanton High School

Senate Committee
Education

Senate Author
Reagan Hilburn

House Committee
Economic Development

House Authors
Addison Perez
Gracelyn Gurule
Gretchen Caraway

Lobbyist
Jax Smith

Journalist
Julian Villarreal

Texas Next Generation of Workforce Act

HB 27 – SB 24

Bill Text

A BILL TO BE ENTITLED
AN ACT

Providing for the creation of funds to support the capital needs of educational programs offered by the Texas Technical College System.

BE IT ENACTED 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 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;

STUDENT LEGISLATIVE SESSION
TEXAS STATE CAPITOL
EST. 2003

School
Pleasanton High School

Senate Committee
Education

Senate Author
Reagan Hilburn

House Committee
Economic Development

House Authors
Addison Perez
Gracelyn Gurule
Gretchen Caraway

Lobbyist
Jax Smith

Journalist
Julian Villarreal

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

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

(d) The available fund consists of:

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

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

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

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

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

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

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

(h) The comptroller of public accounts shall determine the amount

STUDENT LEGISLATIVE SESSION
TEXAS STATE CAPITOL
EST. 2003

School
Pleasanton High School

Senate Committee
Education

Senate Author
Reagan Hilburn

House Committee
Economic Development

House Authors
Addison Perez
Gracelyn Gurule
Gretchen Caraway

Lobbyist
Jax Smith

Journalist
Julian Villarreal

available for distribution from the permanent fund to the available fund for each fiscal year in accordance with a distribution policy adopted by the comptroller. The amount available for distribution:

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

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

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

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

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

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

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

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

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

(4) acquiring capital equipment, including instructional equipment, virtual reality or augmented reality equipment, heavy industrial

School
Pleasanton High School

Senate Committee
Education

Senate Author
Reagan Hilburn

House Committee
Economic Development

House Authors
Addison Perez
Gracelyn Gurule
Gretchen Caraway

Lobbyist
Jax Smith

Journalist
Julian Villarreal

equipment, and vehicles;

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

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

(7) any other purpose authorized by general law.

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

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

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

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

STUDENT LEGISLATIVE SESSION
TEXAS STATE CAPITOL
EST. 2003

School
Pleasanton High School

Senate Committee
Education

Senate Author
Reagan Hilburn

House Committee
Economic Development

House Authors
Addison Perez
Gracelyn Gurule
Gretchen Caraway

Lobbyist
Jax Smith

Journalist
Julian Villarreal

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

(1) for the state fiscal year beginning September 1, 2027, $52 million; and

(2) for a state fiscal year beginning on or after September 1, 2028, the amount determined under this subsection for the preceding state fiscal year adjusted by the increase, if any, in the rate of inflation during the preceding state fiscal year, as determined by the comptroller of public accounts on the basis of changes in the most recent construction cost index published by the Engineering News-Record or, if that index is unavailable, a comparable cost index determined by the comptroller.

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

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

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

(q) The Texas Technical College System shall establish and maintain five primary campus locations to provide technical education, workforce training, and career development programs serving the following regions of the state:

(1) Rio Grande Valley (RGV) Campus: One primary

STUDENT LEGISLATIVE SESSION
TEXAS STATE CAPITOL
EST. 2003

School
Pleasanton High School

Senate Committee
Education

Senate Author
Reagan Hilburn

House Committee
Economic Development

House Authors
Addison Perez
Gracelyn Gurule
Gretchen Caraway

Lobbyist
Jax Smith

Journalist
Julian Villarreal

campus shall be located in Starr County and designated as the Rio Grande Valley Campus, serving Starr, Hidalgo, Cameron, and Willacy Counties, as well as Zapata, Webb, Jim Hogg, Duval, Brooks and Kenedy counties.

(2) South Central Texas Campus: One primary campus shall be located in Atascosa County and designated as the South Central Texas Campus, serving Atascosa, Wilson, Live Oak, McMullen, Bexar, and Karnes Counties.

(3) Permian Basin Campus: One primary campus shall be located in the Permian Basin region of West Texas to serve communities and industries throughout the Permian Basin.

(4) Houston Area Campus: One primary campus shall be located in the Greater Houston metropolitan area to serve the technical education and workforce development needs of Houston and surrounding communities.

(5) Dallas–Fort Worth Campus: One primary campus shall be located in the Dallas–Fort Worth metropolitan area to serve the technical education and workforce development needs of North Texas.

(r) The board of regents of the Texas Technical College System shall determine the specific location of each campus within the regions designated under Subsection (q), taking into consideration regional workforce demands, population, accessibility, existing educational resources, and opportunities for partnerships with local employers and industries. The Rio Grande Valley Campus must be located in Starr County, and the South Central Texas Campus must be located in Atascosa County.

(s) Each primary campus established under Subsection (q) shall offer technical education and workforce training programs designed to meet the needs of the industries and employers within its designated service

STUDENT LEGISLATIVE SESSION
TEXAS STATE CAPITOL
EST. 2003

School
Pleasanton High School

Senate Committee
Education

Senate Author
Reagan Hilburn

House Committee
Economic Development

House Authors
Addison Perez
Gracelyn Gurule
Gretchen Caraway

Lobbyist
Jax Smith

Journalist
Julian Villarreal

region, including, as applicable, energy production, manufacturing, construction, agriculture, transportation, healthcare, information technology, and other high-demand occupations.

(t) The board of regents may establish additional instructional sites, satellite campuses, or training facilities as necessary to expand access to workforce education. The establishment of additional facilities does not relieve the system of its obligation to maintain the five primary campus locations required under Subsection (q).

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

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

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

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

School
Pleasanton High School

Senate Committee
Education

Senate Author
Reagan Hilburn

House Committee
Economic Development

House Authors
Addison Perez
Gracelyn Gurule
Gretchen Caraway

Lobbyist
Jax Smith

Journalist
Julian Villarreal

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[~~,~~] 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, 2027. 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 Technical College System."