School
Pleasanton High School

Senate Committee
Education

Senate Author
Reagan Hilburn

House Committee
Economic Development

House Authors
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Gracelyn Gurule
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Texas Next Generation of Workforce Act

HB 27 – SB 24

Fiscal Note

State Government Impact

No significant fiscal implication to the State is anticipated, other than the cost of publication; however, there could be a fiscal impact dependent on an appropriation of funds for transfer and deposit to the new Permanent Fund.

The cost to the state for publication of the resolution is $191,689.

The resolution would propose an amendment to Article VII of the Texas Constitution.

The proposed amendment would establish the Permanent Technical Institution Infrastructure Fund (Permanent Fund) and the Available Workforce Education Fund (Available Fund) as special funds in the state treasury outside of the General Revenue Fund to support the Texas Technical College (TTC) System for the purposes of: (1) acquiring land; (2) constructing or equipping buildings; (3) major repair and rehabilitation; (4) acquiring capital equipment; (5) acquiring 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; and (7) any other purpose authorized by general law. The permanent fund would consist of money transferred or deposited to the fund an any interest or other earnings of the fund and would be administered by the Texas Comptroller of Public Accounts.

The proposed amendment would require the Comptroller, each fiscal year, to determine the amount available for distribution from the Permanent Fund to the Available Fund. The distribution must preserve the purchasing power of the assets of the Permanent Fund over a rolling 10-year period and may not exceed 5.5 percent of the average fair market value of the investment assets of the Permanent Fund.

The amendment would provide that an institution, except for a component of the TTC System, entitled to participate in dedicated funding provided by the Higher Education Fund (HEF) or Available University Fund (AUF) could not be entitled to participate in funding from the Permanent or Available Fund.

The proposed amendment would be submitted to voters at an election to be held November 4, 2027.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.