

SUBJECT: Enabling legislation for HJR 8

COMMITTEE: Pensions and Investments — favorable, with amendment

VOTE: 7 ayes — Telford, Woolley, Goolsby, Rangel, Sadler, Serna, Tillery
1 nay — Williams
1 absent— Berlanga

WITNESSES: For — None
Against — None
On — Wardaleen Belvin, Texas Tomorrow Fund

BACKGROUND : The 74th Legislature established the Texas Tomorrow Fund to allow individuals or groups to prepay higher education tuition and fees at prices that are locked in at the time payments begin. Education Code sec. 54.619(g) provides that if there is not enough money in the fund to pay a prepaid tuition contract in full, the Legislature may appropriate to the fund the amount necessary to pay the applicable amount of tuition and fees.

DIGEST: HB 8, as amended, would authorize the comptroller in any fiscal year in which the Texas Tomorrow Fund did not contain enough money to pay its obligations to transfer to the fund the first money coming into the state treasury not otherwise appropriated by the state Constitution.

HB 8 would take effect immediately following the approval of HJR 8 at the November 4, 1997 election. If HJR 8 is not approved by the voters, HB 8 would have no effect.

**SUPPORTERS/
OPPONENTS
SAY:** See arguments for HJR 8.

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NOTES: The committee amendment identified HJR 8 as the proposed constitutional amendment that HB 8 would implement.

The Senate companion bill, SB 783 by Barrientos, has been referred to the Finance Committee.