

BILL ANALYSIS

Senate Research Center

S.B. 237
By: Nixon
State Affairs
2-19-97
Committee Report (Amended)

DIGEST

When the lottery was first proposed, many people believed that revenue from the lottery would be used to fund education. Currently, excess proceeds from lottery operations are transferred to the General Revenue Fund. This bill mandates that most of the savings resulting from the competitive bid of a lottery contract be allocated to the School Foundation Fund to be used to supplement education financing.

PURPOSE

As proposed, S.B. 237 requires the money in the state lottery account to be used only for specific purposes, including the transfer to the foundation school fund of an amount equal to 95 percent of savings resulting from any competitive bidding under Section 466.014(b). This bill requires that five percent of the savings to be transferred to the Texas Workforce Commission for community-based adult literacy programs. In addition, S.B. 327 sets forth the formula for determining savings.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 466.355, Government Code, by amending Section (b) and adding Section (c), to require the money in the state lottery account to be transferred to the foundation school fund of an amount equal to 95 percent of the savings resulting from any competitive bidding of contracts awarded under Section 466.014(b). Requires the money in the state lottery account to be transferred to the Texas Workforce Commission for community-based adult literacy programs of an amount equal to five percent of the savings resulting from any competitive bidding of contracts awarded under Section 466.014(b). Sets forth the formula for determining savings under Subsection (b). Makes conforming changes.

SECTION 2. Effective date: September 1, 1997.

SECTION 3. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

Amends SECTION 1, Section 466.355, Government Code, to require money in the state lottery account to be transferred to the foundation school fund of an amount equal to 95 percent of the savings resulting from any competitive bidding of contracts awarded under Section 466.014(b). Requires the transfer of an amount equal to five percent of the savings to be transferred to the Texas Workforce Commission for community-based adult literacy programs.