

BILL ANALYSIS

Senate Research Center
76R11404 CAG-D

S.B. 1878
By: Duncan
Finance
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As Filed

DIGEST

The Higher Education Assistance Fund (HEAF) was created to aid 26 institutions of higher education not eligible for aid from the Permanent University Fund (PUF). In November, 1993, Texas voters approved a constitutional amendment adding the Texas State Technical College System (TSTC) and its campuses, but not its extension centers or programs, to the list of institutions that receive HEAF funds. The annual allocation to TSTC could not exceed 2.2 percent of the annual HEAF appropriations. The constitutional amendment also permits the legislature to increase the amount of HEAF appropriations for each five-year period, beginning September 1, 2000 and expand the use of HEAF funds to include certain improvements. S.B. 1878 would allocate certain constitutional funds to certain Texas institutions of higher education.

PURPOSE

As proposed, S.B. 1878 allocates certain constitutional funds to certain Texas institutions of higher education.

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 62.021(a), Education Code, to set forth the amounts allocated to certain Texas institutions of higher education.

SECTION 2. Amends Section 62.022, Education Code, as follows:

Sec. 62.022. New heading: ALLOCATION FORMULA. Requires the coordinating board to conduct, with the full participation of the eligible institutions, a study and present recommendations to the Legislative Budget Board (LBB) and to the Texas House and Texas Senate standing committees (committees) having jurisdiction over legislation related to higher education as to the allocation of the money appropriated by Section 17(a) for the following 10-year allocation period established by Section 17(d), prior to the convening of the regular session of the Texas Legislature immediately preceding each 10-year period for which Section 17(d), Article VII, Texas Constitution, prescribes an allocation of the money appropriated by Section 17(a), Article VII, Texas Constitution. Requires the coordinating board to conduct a study to present recommendation to LBB and to the committees having cognizance over legislation related to higher education as to whether the equitable allocation formula established for that 10-year period should be adjusted for the last five years of the 10-year period, prior to the convening of the regular session of the Texas Legislature immediately preceding the sixth year of each 10-year allocation period established by Section 17(d), Article VII, Texas Constitution. Requires the legislature to approve, modify and approve, or reject the recommendations of the coordinating board under Subsections (a) or (b). Requires the 10-year allocation provided for in Section 62.021(a), to continue until the end of the 10-year period, if, prior to the first day of the sixth year of a 10-year allocation period established by Section 17(d), Article VII, Texas Constitution, the Texas Legislature fails to act on a recommendation for adjustment in the equitable allocation formula. Deletes text regarding 1999 and the five year period beginning September 1, 2000. Deletes text regarding the coordinating board conducting a study over the allocation of funds. Makes conforming changes.

SECTION 2. Emergency clause.
Effective date: upon passage.