

BILL ANALYSIS

Senate Research Center
78R7581 ESH-D

S.J.R. 36
By: Shapleigh
Education
4/3/2003
As Filed

DIGEST AND PURPOSE

Currently, all realized capital gains from the permanent school fund remain with the body of the fund, while income derived from fund investments is distributed to local school districts through the available school fund. As proposed, S.J.R. 36 allows the state to change this practice, and transform unrealized and realized capital gains into larger distributions to local school districts.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 5, Article VII, Texas Constitution, as follows:

Sec. 5 (a) Provides that the permanent school fund consists of all land appropriated for public schools by this constitution or the other laws of this state and of other properties and funds belonging to the permanent school fund.

(b) Provides that the available school fund consists of the distribution each fiscal year from the permanent school fund as provided by Subsection (c) of this section and the taxes authorized by this constitution or general law to be part of the available school fund. Deletes text of former Subsection (a) defining what constitutes the available and permanent school funds.

(c) Requires the total amount distributed in each fiscal year from the permanent school fund to the available school fund to be an amount equal to one of two formulas.

(d) Makes nonsubstantive changes to modernize the statutory language.

(e) Redesignated from Subsection (b). Makes a conforming change.

(f) - (g) Redesignated from Subsections (c) - (d).

(h) Provides that, notwithstanding Subsection (c) of this section, the total distribution from the permanent school fund to the available school fund for the state fiscal years beginning September 1, 2003, and September 1, 2004, is required to be a certain amount. Provides that this subsection expires December 1, 2005.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at the November 4, 2003, election. Requires the ballot to be printed in a certain manner.