

BILL ANALYSIS

Senate Research Center
84R4148 CAE-D

H.B. 1551
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Finance
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas General Land Office's real estate portfolio for public schools is managed by the School Land Board, which consists of the land commissioner and two gubernatorial appointees. The School Land Board can make discretionary transfers from the real estate special fund directly to the available school fund and the State Board of Education-controlled portion of the permanent school fund. According to a recent report by the Legislative Budget Board, the timing and amount of these transfers are unpredictable.

H.B. 1551 seeks to increase transparency of these discretionary transfers from the School Land Board's real estate special fund by requiring the board to adopt rules to establish the procedure. The bill also requires the School Land Board to report to the legislature the amount transferred to these funds every even-numbered year.

H.B. 1551 amends current law relating to money distributed by the School Land Board to the available school fund or to the State Board of Education for investment in the permanent school fund.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the School Land Board in SECTION 1 (Section 51.413, Natural Resources Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 51.413, Natural Resources Code, as follows:

Sec. 51.413 TRANSFERS FROM THE REAL ESTATE SPECIAL FUND ACCOUNT TO THE AVAILABLE SCHOOL FUND AND THE PERMANENT SCHOOL FUND.

(a) Creates this subsection from existing text. Makes nonsubstantive changes.

(b) Requires the School Land Board (board) to adopt rules to establish the procedure that will be used by the board to determine the date a transfer will be made and the amount of money that will be transferred to the available school fund or to the State Board of Education for investment in the permanent school fund from the real estate special fund account as provided by Subsection (a).

SECTION 2. Amends Subchapter I, Chapter 51, Natural Resources Code, by adding Section 51.4131, as follows:

Sec. 51.4131. REPORT ON ANTICIPATED TRANSFER OF FUNDS. Requires the board, not later than September 1 of each even-numbered year, to submit to the legislature, comptroller, State Board of Education, and Legislative Budget Board a report that, specifically and in detail, states the date a transfer will be made and the amount of money the board will transfer during the subsequent state fiscal biennium from the real estate special fund account of the permanent school fund established under Section 51.401 (Real Estate Special Fund Account) to the available school fund or the State Board of Education for investment in the permanent school fund.

SECTION 3. Effective date: upon passage or September 1, 2015.