BILL ANALYSIS

C.S.H.J.R. 109 By: Orr Appropriations Committee Report (Substituted)

BACKGROUND AND PURPOSE

Recent legislation allows the General Land Office (GLO) to transfer money under its control in the permanent school fund directly to the available school fund. A subsequent attorney general's opinion, however, ruled that the provision allowing the transfer was likely unconstitutional. A separate issue, observers note, is that there are different terms used to describe the permanent school fund throughout the Texas Constitution. C.S.H.J.R. 109 seeks to amend the constitution to clarify references to the permanent school fund and to allow the GLO to distribute revenue derived from permanent school fund land or properties to the available school fund.

RULEMAKING AUTHORITY

It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.J.R. 109 proposes an amendment to the Texas Constitution to authorize the legislature by general law to direct the General Land Office or an entity other than the State Board of Education that has responsibility for the management of permanent school fund land or other properties to distribute to the available school fund each year not more than 50 percent of the net revenue derived during that year from the land or properties. The resolution makes nonsubstantive changes relating to the terms used to describe the permanent school fund and sets out the required ballot language.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 8, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.J.R. 109 differs from the original by authorizing the legislature by general law to direct the General Land Office (GLO) or an entity other than the State Board of Education that has responsibility for the management of permanent school fund land or other properties to distribute to the available school fund certain specified revenue derived from the land or properties, whereas the original authorizes the GLO or other entity to distribute such revenue to the available school fund. The substitute differs from the original by setting the amount authorized to be distributed to the available school fund each year at not more than 50 percent of the net revenue derived during that year from the permanent school fund land or properties, whereas the original authorizes all revenue derived from the land or properties to the available school fund.

C.S.H.J.R. 109 differs from the original in nonsubstantive ways.