

BILL ANALYSIS

Senate Research Center

H.B. 4590
By: Pitts (Ogden)
Finance
5/21/2009
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 4590 amends current law relating to transfers from the permanent school fund to the available school fund.

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 43.002, Education Code, by amending Subsection (a) and adding Subsection (a-1), as follows:

(a) Requires the comptroller of public accounts, on the first working day of each month in a state fiscal year, to transfer from the permanent school fund to the available school fund an amount equal to the annual distribution for that fiscal year, rather than an amount equal to one-twelfth of the annual distribution, from the permanent school fund to the available school fund as provided by Section 5(a) (relating to the permanent school fund consisting of all land appropriated for public schools), Article VII (Education), Texas Constitution, less the amount that has already been transferred during the fiscal year, divided by the number of months remaining in the fiscal year. Makes a nonsubstantive change.

(a-1) Authorizes monthly transfers in the second year of the state fiscal biennium, if compliance with Section 5(a)(2) (relating to the fund not exceeding the total return on all investment assets), Article VII, Texas Constitution, does not permit monthly transfers under Subsection (a) that distribute the full amount of the total return on the permanent school fund, at the rate adopted under Section 5(a)(1) (relating to the fund not being more than six percent of the average of the market value of the permanent school fund), Article VII, Texas Constitution, to be transferred to the available school fund in the first year of a state fiscal biennium, to the extent authorized by the State Board of Education or its successor in function for purposes of this section, to be increased to transfer amounts adopted for the first year of the state fiscal biennium but not transferred in that year.

SECTION 2. Effective date: September 1, 2009.