#YesOn7
Proposition 7, Texas Constitutional Amendment to Increase Distributions to the State School Fund

What's on the ballot?

On November 5, 2019, Texas voters will be asked to vote for or against 10 proposed amendments to the Texas Constitution. These amendments were all approved by the Texas Legislature this year by a vote of at least 2/3 of the Texas House and Texas Senate, but will not take effect without the support of a majority of Texas voters.

Do any of the propositions impact public schools?

Proposition 7 seeks support to increase the distributions to the Available School Fund that provides state revenue for Texas public schools.

Background

The Texas Permanent School Fund (PSF) is a state investment fund whose principal comes from leasing state-owned lands, including leasing mineral rights to oil and gas companies, grazing rights to ranchers, land to wind farms, and others. The Texas State Board of Education (SBOE) and General Land Office (GLO) manage the PSF. The SBOE manages the PSF’s financial assets through investment. The GLO oversees the management, sale, and leasing of PSF land. The revenue from leasing state-owned lands and the PSF’s financial assets are invested. Some of the interest revenue, but not the principal, is allocated to education funds, including the Available School Fund (ASF), a fund that provides state revenue for school districts and charter schools on a per-student basis each year. As of August 31, 2018, the PSF had a balance of $44.07 billion.

Currently the SBOE disburses some of the revenue from investments every other year to the ASF. Currently the GLO is authorized to transfer from management of leases up to $300 million each year to the ASF. The constitutional amendment makes changes to both the amount that GLO can transfer to the ASF and authorizes the SBOE to transfer investment revenue from any land it manages to the ASF. Both entities will be authorized to transfer up to $600 million each year if the constitutional amendment passes.

Does funding for schools come from any other sources?

The ASF also receives revenue from the following:

- 25% from state occupation taxes;
- 25% from state gasoline and special fuels excise taxes; and
- other legislative appropriations.
If we approve Proposition 7, what changes?

If approved by voters on November 5, 2019, Proposition 7 increases the amount of revenue the GLO can transfer to the ASF each year from $300 million to $600 million. Prop 7 authorizes the SBOE to transfer $600 million to the ASF each year.

One more time

A "yes" vote supports this amendment to allow the General Land Office AND State Board of Education to each transfer $600 million from the Permanent School Fund's lands and properties proceeds to the Available School Fund each year.

A "no" vote opposes this amendment, thereby keeping the amount of revenue that the General Land Office is permitted to transfer from the Permanent School Fund's lands and properties proceeds to the Available School Fund at $300 million per year and excluding the State Board of Education from making transfers from the fund's lands and properties proceeds.


Got it. Anything else I need to know?

The early voting period is October 21 - Nov 1, 2019.