

By: Wolens, Branch, Marchant, Giddings, Hill

H.B. No. 1912

A BILL TO BE ENTITLED

AN ACT

relating to authorizing the issuance of revenue bonds for The University of Texas Southwestern Medical Center at Dallas to finance biomedical research facilities and exempting the facilities financed by the bonds from prior approval by the Texas Higher Education Coordinating Board.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 55, Education Code, is amended by adding Section 55.17421 to read as follows:

Sec. 55.17421. THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS; ADDITIONAL REVENUE BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, or other facilities, including roads and related infrastructure, for The University of Texas Southwestern Medical Center at Dallas, to be used primarily to conduct biomedical research and to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program in an aggregate principal amount not to exceed \$56 million.

(b) The board may pledge irrevocably to the payment of the bonds authorized by Subsection (a) all or any part of the revenue

1 funds of an institution, branch, or entity of The University of  
2 Texas System, including student tuition charges. The amount of a  
3 pledge made under this subsection may not be reduced or abrogated  
4 while the bonds for which the pledge is made, or bonds issued to  
5 refund those bonds, are outstanding.

6 (c) If sufficient funds are not available to the board to  
7 meet its obligations under this section, the board may transfer  
8 funds among institutions, branches, and entities of The University  
9 of Texas System to ensure the most equitable and efficient  
10 allocation of available resources for each institution, branch, or  
11 entity to carry out its duties and purposes.

12 (d) The board may not issue bonds authorized by Subsection  
13 (a) at a time that would require the payment of any debt service on  
14 the bonds before September 1, 2004.

15 SECTION 2. Section 61.0572(e), Education Code, is amended  
16 to read as follows:

17 (e) Approval of the board is not required to acquire real  
18 property that is financed by bonds issued under Section 55.17(e)(3)  
19 or (4), 55.1713-55.1718, 55.1721-55.1728, ~~[or]~~ 55.174, or  
20 55.17421, except that the board shall review all real property to be  
21 financed by bonds issued under those sections to determine whether  
22 the property meets the standards adopted by the board for cost,  
23 efficiency, and space use. If the property does not meet those  
24 standards, the board shall notify the governor, the lieutenant  
25 governor, the speaker of the house of representatives, and the  
26 Legislative Budget Board.

27 SECTION 3. Section 61.058(b), Education Code, is amended to

1 read as follows:

2 (b) This section does not apply to construction, repair, or  
3 rehabilitation financed by bonds issued under Section 55.17(e)(3)  
4 or (4), 55.1713-55.1718, 55.1721-55.1728, [~~or~~] 55.174, or  
5 55.17421, except that the board shall review all construction,  
6 repair, or rehabilitation to be financed by bonds issued under  
7 those sections to determine whether the construction,  
8 rehabilitation, or repair meets the standards adopted by board rule  
9 for cost, efficiency, and space use. If the construction,  
10 rehabilitation, or repair does not meet those standards, the board  
11 shall notify the governor, the lieutenant governor, the speaker of  
12 the house of representatives, and the Legislative Budget Board.

13 SECTION 4. This Act takes effect immediately if it receives  
14 a vote of two-thirds of all the members elected to each house, as  
15 provided by Section 39, Article III, Texas Constitution. If this  
16 Act does not receive the vote necessary for immediate effect, this  
17 Act takes effect September 1, 2003.