

By: Davis of Harris, Coleman, Wong

H.B. No. 3350

A BILL TO BE ENTITLED

AN ACT

relating to authorizing the issuance of revenue bonds for the University of Houston System.

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

SECTION 1. Subchapter B, Chapter 55, Education Code, is amended by adding Section 55.1743 to read as follows:

Sec. 55.1743. THE UNIVERSITY OF HOUSTON SYSTEM. (a) In addition to the other authority granted by this subchapter, the board of regents of the University of Houston System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the University of Houston System, including the individual campuses of the system, to be financed by the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board in an aggregate principal amount not to exceed \$25 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of the University of Houston System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to

1 meet its obligations under this section, the board may transfer
2 funds among institutions, branches, and entities of the University
3 of Houston System to ensure the most equitable and efficient
4 allocation of available resources for each institution, branch, or
5 entity to carry out its duties and purposes.

6 SECTION 2. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2003.