

By: Janek, Ellis

S.B. No. 1420

A BILL TO BE ENTITLED

AN ACT

1
2 relating to authorizing the issuance of revenue bonds for The
3 University of Texas Health Science Center at Houston for the
4 replacement of research and academic facilities lost in Tropical
5 Storm Allison.

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

7 SECTION 1. Subchapter B, Chapter 55, Education Code, is
8 amended by adding Section 55.17321 to read as follows:

9 Sec. 55.17321. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL
10 REVENUE BONDS. (a) In addition to the other authority granted by
11 this subchapter, the board of regents of The University of Texas
12 System may acquire, purchase, construct, improve, renovate,
13 enlarge, or equip property, buildings, structures, facilities,
14 roads, or related infrastructure for The University of Texas Health
15 Science Center at Houston for the replacement of research and
16 academic facilities lost in Tropical Storm Allison, to be financed
17 by the issuance of bonds in accordance with this subchapter,
18 including bonds issued in accordance with its systemwide revenue
19 financing program and secured as provided by that program in
20 aggregate principle amounts not to exceed \$30 million.

21 (b) The board may pledge irrevocable to the payment of the
22 bonds authorized by Subsection (a) all or any part of the revenue
23 funds of an institution, branch, or entity of The University of
24 Texas System, including student tuition charges required or

1 authorized by law to be imposed on students enrolled at an
2 institution, branch, or entity of The University of Texas System.
3 The amount of a pledge made under this subsection may not be reduced
4 or abrogated while the bonds for which the pledge is made, or bonds
5 issued to 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 constitutional and statutory duties and
12 purposes.

13 SECTION 2. Subsection (e), Section 61.0572, Education Code,
14 is amended to read as follows:

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

25 SECTION 3. Subsection (b), Section 61.058, Education Code,
26 is amended to read as follows:

27 (b) This section does not apply to construction, repair, or

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

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