

By: Madla

S.B. No. 1497

A BILL TO BE ENTITLED

AN ACT

relating to the issuance of revenue bonds by the Texas Public Finance Authority for the construction of school district instructional facilities and the construction of the facilities by the Texas Building and Procurement Commission.

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

SECTION 1. Section 1232.066(a), Government Code, is amended to read as follows:

(a) The board's authority under this chapter is limited to the financing of:

- (1) the acquisition or construction of a building;
- (2) the purchase or lease of equipment; ~~[or]~~
- (3) stranded costs of a municipal power agency; or
- (4) a school district instructional facility.

SECTION 2. Subchapter C, Chapter 1232, Government Code, is amended by adding Section 1232.1025 to read as follows:

Sec. 1232.1025. ISSUANCE OF BONDS FOR SCHOOL DISTRICT INSTRUCTIONAL FACILITIES. (a) The board shall promptly issue and sell bonds in the name of the authority under this chapter to finance the construction of a school district instructional facility that has been authorized under Section 2166.554.

(b) The commission shall accomplish its statutory authority as if the facility were a state office building financed by legislative appropriation. The board and the commission shall

1 adopt a memorandum of understanding that defines the division of
2 authority between the board, the commission, and a school district.

3 (c) With respect to an instructional facility financed
4 under this section, a school district is considered to be a state
5 agency leasing a state office building from the commission for the
6 purposes of this chapter, including Subchapter D, except in
7 circumstances under which this chapter states that a building is
8 considered to be state-owned space. When the school district has
9 paid a sufficient amount in rentals so that the principal of and
10 interest on obligations issued by the authority relating to the
11 instructional facility are fully paid and the facility is free of
12 all liens, the board shall convey title to the school district in
13 accordance with Section 1232.006.

14 SECTION 3. Subchapter L, Chapter 2166, Government Code, is
15 amended by adding Section 2166.554 to read as follows:

16 Sec. 2166.554. CONSTRUCTION OF FACILITIES FOR SCHOOL
17 DISTRICTS. (a) This section applies only to a school district that
18 does not qualify for aid under Section 1402.124.

19 (b) At the request of a school district for construction of
20 an instructional facility, the commission may provide for the
21 construction of the facility under the procedures of this chapter
22 if the commission determines the request is feasible. The
23 construction of the facility shall be financed through revenue
24 bonds issued by the Texas Public Finance Authority under Section
25 1232.1025.

26 (c) The commission shall offer the school district a choice
27 of pre-approved blueprints for instructional facilities from a list

1 of choices created by the commission.

2 (d) The commission shall adopt rules to implement this
3 section.

4 SECTION 4. This Act takes effect September 1, 2003.