

By: Morrison

H.B. No. 6

A BILL TO BE ENTITLED

AN ACT

relating to authorizing the issuance of revenue bonds or other obligations to fund capital projects at public institutions of higher education; making an appropriation.

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

SECTION 1. Subchapter B, Chapter 55, Education Code, is amended by adding Sections 55.1751, 55.1752, 55.1753, 55.1754, 55.1755, 55.1756, 55.1757, 55.1758, 55.1759, and 55.17591 to read as follows:

Sec. 55.1751. THE TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The Texas A&M University System may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board for the following institutions not to exceed the following aggregate principal amounts for the projects specified as follows:

(1) Prairie View A&M University:

(A) \$3,656,390 for a solar observatory; and

(B) \$9,946,577 for the Child and Family Development Center;

(2) Tarleton State University:

1 (A) \$8 million for the Tarleton State University
2 Dairy Center; and

3 (B) \$48 million for the Tarleton State University
4 nursing program facilities, the Tarleton Research Park, and the
5 Tarleton State University central physical plant and campus piping
6 loop for distribution of utilities;

7 (3) Tarleton State University System Center--Central
8 Texas, \$45 million for educational facilities for the Tarleton
9 State University System Center--Central Texas at the location that
10 may become Texas A&M University--Central Texas;

11 (4) Texas A&M University--Commerce, \$37,770,000 for a
12 music building and for the James G. Gee Library;

13 (5) Texas A&M University--Corpus Christi, \$58 million
14 for a kinesiology and wellness center, a college of business
15 academic facility, and facilities for the distribution of
16 utilities;

17 (6) Texas A&M University--Kingsville:

18 (A) \$80 million for System Center--San Antonio
19 for educational-related facilities at the location proposed for
20 Texas A&M University--San Antonio;

21 (B) \$26 million for the South Texas natural
22 resource management facilities;

23 (C) \$22 million for campuswide improvements; and

24 (D) \$6 million for the music building addition;

25 (7) Texas A&M University--Texarkana, \$65 million for
26 educational and support facilities;

27 (8) West Texas A&M University, \$28,580,500 for

1 educational facilities;

2 (9) The Texas A&M University Health Science Center:

3 (A) \$7,250,000 for the dentistry sciences
4 building of the Baylor College of Dentistry; and

5 (B) \$40 million for educational facilities for
6 the College of Medicine;

7 (10) Texas A&M University, \$100 million for the
8 Emerging Technologies and Economic Development Building;

9 (11) Texas A&M University at Galveston, \$50 million
10 for a new science building; and

11 (12) Texas A&M International University:

12 (A) \$26 million for the student success center;

13 (B) \$10 million for a border center for homeland
14 security;

15 (C) \$8 million for infrastructure development;

16 and

17 (D) \$4 million for a support services facility.

18 (b) The board may pledge irrevocably to the payment of bonds
19 authorized by this section all or any part of the revenue funds of
20 an institution, branch, or entity of The Texas A&M University
21 System, including student tuition charges. The amount of a pledge
22 made under this subsection may not be reduced or abrogated while the
23 bonds for which the pledge is made, or bonds issued to refund those
24 bonds, are outstanding.

25 (c) If sufficient funds are not available to the board to
26 meet its obligations under this section, the board may transfer
27 funds among institutions, branches, and entities of The Texas A&M

1 University System to ensure the most equitable and efficient
2 allocation of available resources for each institution, branch, or
3 entity to carry out its duties and purposes.

4 Sec. 55.1752. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL
5 BONDS. (a) In addition to the other authority granted by this
6 subchapter, the board of regents of The University of Texas System
7 may acquire, purchase, construct, improve, renovate, enlarge, or
8 equip facilities, including roads and related infrastructure, for
9 projects to be financed through the issuance of bonds in accordance
10 with this subchapter and in accordance with a systemwide revenue
11 financing program adopted by the board for the following
12 institutions not to exceed the following aggregate principal
13 amounts for the projects specified as follows:

14 (1) The University of Texas at Arlington, \$76,600,000
15 for educational and related facilities, including an Engineering
16 Research Building and the renovation of three engineering
17 facilities;

18 (2) The University of Texas at Austin, \$75 million for
19 the Experimental Science Building;

20 (3) The University of Texas at Brownsville,
21 \$46,300,000 for educational and related facilities, including a
22 classroom, laboratory, and office building;

23 (4) The University of Texas at Dallas, \$55 million for
24 educational and related facilities, including an administration
25 building and renovation of Green Hall and Jonsson Hall;

26 (5) The University of Texas at El Paso:

27 (A) \$65 million for educational and related

1 facilities, including existing facilities in need of renovation,
2 repair, or completion; and

3 (B) \$70 million for educational and related
4 facilities, including facilities for the College of Health Sciences
5 complex;

6 (6) The University of Texas--Pan American:

7 (A) \$7,500,000 for The University of Texas--Pan
8 American South Texas College Multi-Institution Teaching Center in
9 Starr County to address the need for facilities in the Rio Grande
10 Valley high growth corridor; and

11 (B) \$29,900,000 for the construction and
12 renovation of academic infrastructure to accommodate student and
13 faculty population growth;

14 (7) The University of Texas of the Permian Basin, \$54
15 million for educational and related facilities, including a campus
16 convocation center and a science and technology complex;

17 (8) The University of Texas at San Antonio:

18 (A) \$50 million for the Loop 1604 Campus Academic
19 Building (phase IV);

20 (B) \$72 million for an engineering building
21 (phase II);

22 (C) \$50 million for the downtown campus
23 architecture building; and

24 (D) \$17 million for completion of Phase V
25 construction at the downtown campus;

26 (9) The University of Texas Southwestern Medical
27 Center at Dallas, \$63 million for facilities to be used primarily to

1 conduct biomedical research;

2 (10) The University of Texas Medical Branch at
3 Galveston, \$57 million for facilities for the National
4 Biocontainment Laboratory;

5 (11) The University of Texas Health Science Center at
6 Houston:

7 (A) \$41,100,000 for facilities to be used
8 primarily to conduct biomedical research;

9 (B) \$60 million for educational, clinical,
10 administrative, and research facilities for The University of Texas
11 Dental Branch at Houston; and

12 (C) \$15 million for educational and related
13 facilities;

14 (12) The University of Texas Health Science Center at
15 San Antonio:

16 (A) \$60 million for the South Texas Research
17 Tower;

18 (B) \$20 million for a center for academic
19 medicine and clinical research; and

20 (C) \$20 million for a faculty office building;

21 (13) The University of Texas Health Science Center at
22 Tyler, \$32,400,000 for educational and related facilities,
23 including an academic center;

24 (14) The University of Texas M. D. Anderson Cancer
25 Center, \$40 million for educational and support facilities; and

26 (15) The University of Texas at Tyler, \$51 million for
27 educational and support facilities.

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

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

14 Sec. 55.1753. UNIVERSITY OF HOUSTON SYSTEM; ADDITIONAL
15 BONDS. (a) In addition to the other authority granted by this
16 subchapter, the board of regents of the University of Houston
17 System may acquire, purchase, construct, improve, renovate,
18 enlarge, or equip facilities, including roads and related
19 infrastructure, for the following institutions, to be financed
20 through the issuance of bonds in accordance with this subchapter
21 and in accordance with a systemwide revenue financing program
22 adopted by the board, in aggregate principal amounts not to exceed
23 the following:

- 24 (1) the University of Houston, \$60 million;
25 (2) the University of Houston--Downtown, \$30 million;
26 (3) the University of Houston--Clear Lake, \$38
27 million; and

1 (4) the University of Houston--Victoria, \$30 million.

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

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

15 Sec. 55.1754. TEXAS STATE UNIVERSITY SYSTEM; ADDITIONAL
16 BONDS. (a) In addition to the other authority granted by this
17 subchapter, the board of regents of the Texas State University
18 System may acquire, purchase, construct, improve, renovate,
19 enlarge, or equip facilities, including roads and related
20 infrastructure, for projects to be financed through the issuance of
21 bonds in accordance with this subchapter and in accordance with a
22 systemwide revenue financing program adopted by the board for the
23 following institutions not to exceed the following aggregate
24 principal amounts for the projects specified as follows:

25 (1) Angelo State University, \$24,500,000 for
26 constructing a warehouse, the renovation of campus buildings, and
27 land acquisition;

1 (2) Lamar University, \$40 million for educational
2 facilities;

3 (3) Lamar Institute of Technology, \$4,200,000 for
4 educational facilities;

5 (4) Lamar State College--Orange, \$3,500,000 for
6 educational facilities;

7 (5) Lamar State College--Port Arthur, \$3,500,000 for
8 educational facilities;

9 (6) Sul Ross State University:

10 (A) \$7,500,000 for facilities in the Rio Grande
11 high growth corridor;

12 (B) \$5,800,000 for the renovation of the
13 Industrial Technology Building and Lawrence Hall; and

14 (C) \$3,820,000 for the renovation and
15 replacement of underground utilities;

16 (7) Texas State University--San Marcos:

17 (A) \$45,461,248 for infrastructure repairs and
18 improvements;

19 (B) \$47,700,000 for an undergraduate academic
20 center;

21 (C) \$50 million for a fine arts and
22 communications center; and

23 (D) \$40 million for facilities for educational
24 programs and supporting activities at the Round Rock Higher
25 Education Center in Williamson County and for facilities to be used
26 by other educational entities to further institutional efficiency
27 and coordinate educational programs at the center; and

1 (8) Sam Houston State University, \$20 million for the
2 construction of a performing arts complex (phase I).

3 (b) The board may pledge irrevocably to the payment of bonds
4 authorized by this section all or any part of the revenue funds of
5 an institution, branch, or entity of the Texas State University
6 System, including student tuition charges. The amount of a pledge
7 made under this subsection may not be reduced or abrogated while the
8 bonds for which the pledge is made, or bonds issued to refund those
9 bonds, are outstanding.

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

16 Sec. 55.1755. UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL
17 BONDS. (a) In addition to the other authority granted by this
18 subchapter, the board of regents of the University of North Texas
19 System may acquire, purchase, construct, improve, renovate,
20 enlarge, or equip facilities, including roads and related
21 infrastructure, for projects to be financed through the issuance of
22 bonds in accordance with this subchapter and in accordance with a
23 systemwide revenue financing program adopted by the board for the
24 following institutions not to exceed the following aggregate
25 principal amounts for the projects specified as follows:

26 (1) the University of North Texas, \$94 million for
27 educational and support facilities;

1 (2) the University of North Texas Health Science
2 Center at Fort Worth, \$42,100,000 for campus expansion and
3 construction of a public health education building; and

4 (3) the University of North Texas System Center at
5 Dallas, \$25 million for the construction of a building for
6 classrooms, labs, and student support facilities necessary to
7 accommodate projected student population growth.

8 (b) The board may pledge irrevocably to the payment of bonds
9 authorized by this section all or any part of the revenue funds of
10 an institution, branch, or entity of the University of North Texas
11 System, including student tuition charges. The amount of a pledge
12 made under this subsection may not be reduced or abrogated while the
13 bonds for which the pledge is made, or bonds issued to refund those
14 bonds, are outstanding.

15 (c) If sufficient funds are not available to the board to
16 meet its obligations under this section, the board may transfer
17 funds among institutions, branches, and entities of the University
18 of North Texas System to ensure the most equitable and efficient
19 allocation of available resources for each institution, branch, or
20 entity to carry out its duties and purposes.

21 Sec. 55.1756. TEXAS WOMAN'S UNIVERSITY. (a) In addition to
22 the other authority granted by this subchapter, the board of
23 regents of Texas Woman's University may acquire, purchase,
24 construct, improve, renovate, enlarge, or equip facilities,
25 including roads and related infrastructure, for Texas Woman's
26 University, to be financed through the issuance of bonds in
27 accordance with this subchapter in an aggregate principal amount

1 not to exceed \$44,500,000.

2 (b) The board may pledge irrevocably to the payment of bonds
3 authorized by this section all or any part of the revenue funds of
4 Texas Woman's University, including student tuition charges. The
5 amount of a pledge made under this subsection may not be reduced or
6 abrogated while the bonds for which the pledge is made, or bonds
7 issued to refund those bonds, are outstanding.

8 Sec. 55.1757. MIDWESTERN STATE UNIVERSITY; ADDITIONAL
9 BONDS. (a) In addition to the other authority granted by this
10 subchapter, the board of regents of Midwestern State University may
11 issue bonds in accordance with this subchapter in an aggregate
12 principal amount not to exceed \$10,395,000 to finance utility
13 infrastructure and campus renovations at Midwestern State
14 University.

15 (b) The board may pledge irrevocably to the payment of bonds
16 authorized by this section all or any part of the revenue funds of
17 Midwestern State University, including student tuition charges.
18 The amount of a pledge made under this subsection may not be reduced
19 or abrogated while the bonds for which the pledge is made, or bonds
20 issued to refund those bonds, are outstanding.

21 Sec. 55.1758. STEPHEN F. AUSTIN STATE UNIVERSITY. (a) In
22 addition to the other authority granted by this subchapter, the
23 board of regents of Stephen F. Austin State University may acquire,
24 purchase, construct, improve, renovate, enlarge, or equip
25 facilities, including roads and related infrastructure, at Stephen
26 F. Austin University, to be financed through the issuance of bonds
27 in accordance with this subchapter in an aggregate principal

1 amount not to exceed \$65,450,000.

2 (b) The board may pledge irrevocably to the payment of bonds
3 authorized by this section all or any part of the revenue funds of
4 Stephen F. Austin State University, including student tuition
5 charges. The amount of a pledge made under this subsection may not
6 be reduced or abrogated while the bonds for which the pledge is
7 made, or bonds issued to refund those bonds, are outstanding.

8 Sec. 55.1759. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL
9 BONDS. (a) In addition to the other authority granted by this
10 subchapter, the board of regents of the Texas Tech University
11 System may acquire, purchase, construct, improve, renovate,
12 enlarge, or equip facilities, including roads and related
13 infrastructure, for projects to be financed through the issuance of
14 bonds in accordance with this subchapter and in accordance with a
15 systemwide revenue financing program adopted by the board not to
16 exceed the following aggregate principal amounts for the projects
17 specified as follows:

18 (1) Texas Tech University Health Sciences Center:

19 (A) \$13,500,000 for educational and related
20 facilities in the city of Midland for the Permian Basin OB-GYN
21 residency program, the physician's assistant program, and the
22 internal medicine residency program;

23 (B) \$9 million for the medical science building
24 for the Texas Tech University Health Sciences Center in El Paso; and

25 (C) \$11,250,000 for the pharmacy education
26 building expansion for the Texas Tech University Health Sciences
27 Center in Amarillo; and

1 (2) Texas Tech University, \$56 million for educational
2 and related facilities including a College of Business building,
3 renovation of classroom buildings, and an addition to the School of
4 Law building.

5 (b) The board may pledge irrevocably to the payment of bonds
6 authorized by this section all or any part of the revenue funds of
7 an institution, branch, or entity of the Texas Tech University
8 System, including student tuition charges. The amount of a pledge
9 made under this subsection may not be reduced or abrogated while the
10 bonds for which the pledge is made, or bonds issued to refund those
11 bonds, are outstanding.

12 (c) If sufficient funds are not available to the board to
13 meet its obligations under this section, the board may transfer
14 funds among institutions, branches, and entities of the Texas Tech
15 University System to ensure the most equitable and efficient
16 allocation of available resources for each institution, branch, or
17 entity to carry out its duties and purposes.

18 Sec. 55.17591. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL
19 BONDS. (a) In addition to the other authority granted by this
20 subchapter, the board of regents of Texas Southern University may
21 acquire, purchase, construct, improve, renovate, enlarge, or equip
22 facilities, including roads and related infrastructure, for a
23 multipurpose university center, a fine arts building, a building
24 for the school of technology, the Robert J. Terry Library, and
25 deferred maintenance of campus facilities and infrastructure, to be
26 financed through the issuance of bonds in accordance with this
27 subchapter in an aggregate principal amount not to exceed

1 \$109,560,000.

2 (b) The board may pledge irrevocably to the payment of bonds
3 authorized by this section all or any part of the revenue funds of
4 Texas Southern University, including student tuition charges. The
5 amount of a pledge made under this subsection may not be reduced or
6 abrogated while the bonds for which the pledge is made, or bonds
7 issued to refund those bonds, are outstanding.

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

10 (e) Approval of the board is not required to acquire real
11 property that is financed by bonds issued under Section 55.17(e)(3)
12 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174,
13 55.1742, 55.1743, ~~or~~ 55.1744, or 55.1751-55.17591, except that
14 the board shall review all real property to be financed by bonds
15 issued under those sections to determine whether the property meets
16 the standards adopted by the board for cost, efficiency, and space
17 use. If the property does not meet those standards, the board shall
18 notify the governor, the lieutenant governor, the speaker of the
19 house of representatives, and the Legislative Budget Board.

20 SECTION 3. Section 61.058(b), Education Code, is amended to
21 read as follows:

22 (b) This section does not apply to construction, repair, or
23 rehabilitation financed by bonds issued under Section 55.17(e)(3)
24 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174, 55.1742,
25 55.1743, ~~or~~ 55.1744, or 55.1751-55.17591, except that the board
26 shall review all construction, repair, or rehabilitation to be
27 financed by bonds issued under those sections to determine whether

1 the construction, rehabilitation, or repair meets the standards
2 adopted by board rule for cost, efficiency, and space use. If the
3 construction, rehabilitation, or repair does not meet those
4 standards, the board shall notify the governor, the lieutenant
5 governor, the speaker of the house of representatives, and the
6 Legislative Budget Board.

7 SECTION 4. Section 1371.001(4), Government Code, as amended
8 by H.B. No. 647, Acts of the 79th Legislature, Regular Session,
9 2005, as effective June 18, 2005, and H.B. No. 2701, Acts of the
10 79th Legislature, Regular Session, 2005, as effective September 1,
11 2005, is amended to read as follows:

- 12 (4) "Issuer" means:
- 13 (A) a home-rule municipality that:
- 14 (i) adopted its charter under Section 5,
15 Article XI, Texas Constitution;
- 16 (ii) has a population of 50,000 or more; and
- 17 (iii) has outstanding long-term
18 indebtedness that is rated by a nationally recognized rating agency
19 for municipal securities in one of the four highest rating
20 categories for a long-term obligation;
- 21 (B) a conservation and reclamation district
22 created and organized as a river authority under Section 52,
23 Article III, or Section 59, Article XVI, Texas Constitution;
- 24 (C) a joint powers agency organized and operating
25 under Chapter 163, Utilities Code;
- 26 (D) a metropolitan rapid transit authority or
27 regional transportation authority created, organized, and

1 operating under Chapter 451 or 452, Transportation Code;

2 (E) a conservation and reclamation district
3 organized or operating as a navigation district under Section 52,
4 Article III, or Section 59, Article XVI, Texas Constitution;

5 (F) a district organized or operating under
6 Section 59, Article XVI, Texas Constitution, that has all or part of
7 two or more municipalities within its boundaries;

8 (G) a state agency, including a state institution
9 of higher education;

10 (H) a hospital authority created or operating
11 under Chapter 262 or 264, Health and Safety Code, in a county that:

12 (i) has a population of more than 3.3
13 million; or

14 (ii) is included, in whole or in part, in a
15 standard metropolitan statistical area of this state that includes
16 a county with a population of more than 2.2 million;

17 (I) a hospital district in a county that has a
18 population of more than two million;

19 (J) a nonprofit corporation organized to
20 exercise the powers of a higher education loan authority under
21 Section 53B.47(e), Education Code;

22 (K) a county:

23 (i) that has a population of 3.3 million or
24 more; or

25 (ii) that, on the date of issuance of
26 obligations under this chapter, has authorized, outstanding, or any
27 combination of authorized and outstanding, indebtedness of at least

1 \$100 million secured by and payable from the county's ad valorem
2 taxes and the authorized long-term indebtedness of which is rated
3 by a nationally recognized rating agency of securities issued by
4 local governments in one of the four highest rating categories for a
5 long-term obligation;

6 (L) an independent school district that has an
7 average daily attendance of 50,000 or more as determined under
8 Section 42.005, Education Code;

9 (M) a municipality or county operating under
10 Chapter 334, Local Government Code; ~~[or]~~

11 (N) a district created under Chapter 335, Local
12 Government Code; or

13 (O) a junior college district that has a total
14 headcount enrollment of 40,000 or more based on enrollment in the
15 most recent regular semester.

16 SECTION 5. There is hereby appropriated to the respective
17 institutions of higher education \$108,000,000 in General Revenue
18 for the 2006-07 biennium for the purpose of paying debt service on
19 the bonds authorized by this Act. The debt service appropriations
20 shall be transferred to affected institutions of higher education
21 based on a plan developed by the Texas Higher Education
22 Coordinating Board and approved by the Legislative Budget Board.

23 SECTION 6. (a) Except as provided by Subsection (b), this
24 Act takes effect immediately if it receives a vote of two-thirds of
25 all the members elected to each house, as provided by Section 39,
26 Article III, Texas Constitution. If this Act does not receive the
27 vote necessary for immediate effect, this Act takes effect on the

1 91st day after the last day of the legislative session.

2 (b) Section 4 of this Act takes effect September 1, 2005, if
3 this Act receives a vote of two-thirds of all the members elected to
4 each house, as provided by Section 39, Article III, Texas
5 Constitution. If this Act does not receive that vote, Section 4 of
6 this Act takes effect on the 91st day after the last day of the
7 legislative session.