

## **BILL ANALYSIS**

H.B. 63  
By: Pitts  
Appropriations  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

In August and September 2005, Hurricanes Katrina and Rita battered the Gulf Coast causing significant property damage. Among the Texas public institutions most impacted by these storms, Lamar University and its related institutions suffered extensive damage. House Bill 63 appropriates funds to the Texas State University System to cover the costs associated with damage caused by these storms, and sets forth requirements for the disposition of hurricane-related federal funds.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

The following appropriations are made in addition to other amounts appropriated that may be used for this purpose.

House Bill 63 defines “Lamar University and its related institutions” as including Lamar University and its educational centers, Lamar Institute of Technology, Lamar State College—Port Arthur, and Lamar State College—Orange.

House Bill 63 appropriates the following amount to the Texas State University System (TSUS) for the two-year period beginning on the effective date of the Act for the purpose of paying for or reimbursing payments for costs associated with damages or disruptions caused by Hurricane Katrina or Hurricane Rita and suffered by Lamar University or its related institutions:

- \$34 million out of the general revenue fund.

House Bill 63 instructs TSUS to distribute these funds to Lamar University and its related institutions, allocating the money as TSUS considers appropriate to address the hurricane-related needs of those institutions.

House Bill 63 designates the property damage caused by the hurricanes as caused by a natural disaster for the purposes of Subsection (j)(1), Section 17, Article VII, Texas Constitution.

House Bill 63 requires that federal funds received by Lamar University or its related institutions to pay for hurricane related damages that do not exceed \$34 million shall be deposited in the state treasury as undedicated general revenue and are not appropriated to TSUS or Lamar University or its related institutions.

House Bill 63 requires that federal funds received by Lamar University or its related institutions to pay for hurricane related damages in excess of \$34 million are appropriated to TSUS for distribution to Lamar University and its related institutions to address hurricane-related needs, subject to any federal conditions or requirements.

House Bill 63 allows federal funds received by or on behalf of Lamar University and its related institutions to be kept outside the state treasury as institutional funds, and spent in accordance with laws governing such funds, to the extent they are clearly intended to (1) reimburse Lamar University or a related institution for specific costs, other than those described by Subsection (j)(1), Section 17, Article VII, Texas Constitution, that the university or related institution paid with institutional funds, (2) pay the cost of repairing damages that may not lawfully be paid using general revenue, or (3) pay costs related to disruptions of any activities that may not be paid using general revenue.

#### **EFFECTIVE DATE**

On passage, or if the Act does not receive the necessary vote, the Act takes effect on the 91st day after adjournment.