

By: Morrison

H.B. No. 153

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:

24 (A) \$85 million for a new natural science and  
25 engineering research building and technology accelerator as part of  
26 the Erik Jonsson School of Engineering and Computer Science; and

27 (B) \$55 million for educational and related

1 facilities, including an administration building and renovation of  
2 Green Hall and Jonsson Hall;

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

4 (A) \$65 million for educational and related  
5 facilities, including existing facilities in need of renovation,  
6 repair, or completion; and

7 (B) \$70 million for educational and related  
8 facilities, including facilities for the College of Health Sciences  
9 complex;

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

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

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

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

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

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

24 (B) \$72 million for an engineering building  
25 (phase II);

26 (C) \$50 million for the downtown campus  
27 architecture building; and

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

3                   (9) The University of Texas Southwestern Medical  
4 Center at Dallas, \$63 million for facilities to be used primarily to  
5 conduct biomedical research;

6                   (10) The University of Texas Medical Branch at  
7 Galveston, \$57 million for facilities for the National  
8 Biocontainment Laboratory;

9                   (11) The University of Texas Health Science Center at  
10 Houston:

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

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

16                   (C) \$15 million for educational and related  
17 facilities;

18                   (12) The University of Texas Health Science Center at  
19 San Antonio:

20                   (A) \$60 million for the South Texas Research  
21 Tower;

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

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

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

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

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

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

1           (1) the University of Houston, \$60 million;

2           (2) the University of Houston--Downtown, \$30 million;

3           (3) the University of Houston--Clear Lake, \$38  
4 million; and

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

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

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

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



1 principal amounts for the projects specified as follows:

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

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

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

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

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

13 (6) Sul Ross State University:

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

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

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

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

21 (A) \$45,461,248 for infrastructure repairs and  
22 improvements;

23 (B) \$47,700,000 for an undergraduate academic  
24 center;

25 (C) \$50 million for a fine arts and  
26 communications center; and

27 (D) \$40 million for facilities for educational

1 programs and supporting activities at the Round Rock Higher  
2 Education Center in Williamson County and for facilities to be used  
3 by other educational entities to further institutional efficiency  
4 and coordinate educational programs at the center; and

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

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

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

20 Sec. 55.1755. UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL  
21 BONDS. (a) In addition to the other authority granted by this  
22 subchapter, the board of regents of the University of North Texas  
23 System may acquire, purchase, construct, improve, renovate, or  
24 enlarge, or equip facilities, including roads and related  
25 infrastructure, for projects to be financed through the issuance of  
26 bonds in accordance with this subchapter and in accordance with a  
27 systemwide revenue financing program adopted by the board for the

1 following institutions not to exceed the following aggregate  
2 principal amounts for the projects specified as follows:

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

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

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

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

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

25 Sec. 55.1756. TEXAS WOMAN'S UNIVERSITY. (a) In addition to  
26 the other authority granted by this subchapter, the board of  
27 regents of Texas Woman's University may acquire, purchase,

1 construct, improve, renovate, enlarge, or equip facilities,  
2 including roads and related infrastructure, for Texas Woman's  
3 University, to be financed through the issuance of bonds in  
4 accordance with this subchapter in an aggregate principal amount  
5 not to exceed \$44,500,000.

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

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

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

25 Sec. 55.1758. STEPHEN F. AUSTIN STATE UNIVERSITY. (a) In  
26 addition to the other authority granted by this subchapter, the  
27 board of regents of Stephen F. Austin State University may acquire,

1 purchase, construct, improve, renovate, enlarge, or equip  
2 facilities, including roads and related infrastructure, at Stephen  
3 F. Austin University, to be financed through the issuance of bonds  
4 in accordance with this subchapter in an aggregate principal  
5 amount not to exceed \$65,450,000.

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

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

22 (1) Texas Tech University Health Sciences Center:

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

27 (B) \$9 million for the medical science building

1 for the Texas Tech University Health Sciences Center in El Paso; and

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

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

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

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

22 Sec. 55.17591. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL  
23 BONDS. (a) In addition to the other authority granted by this  
24 subchapter, the board of regents of Texas Southern University may  
25 acquire, purchase, construct, improve, renovate, enlarge, or equip  
26 facilities, including roads and related infrastructure, for a  
27 multipurpose university center, a fine arts building, a building

1 for the school of technology, the Robert J. Terry Library, and  
2 deferred maintenance of campus facilities and infrastructure, to be  
3 financed through the issuance of bonds in accordance with this  
4 subchapter in an aggregate principal amount not to exceed  
5 \$109,560,000.

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

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

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

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

26 (b) This section does not apply to construction, repair, or  
27 rehabilitation financed by bonds issued under Section 55.17(e)(3)

1 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174, 55.1742,  
2 55.1743, [~~or~~] 55.1744, or 55.1751-55.17591, except that the board  
3 shall review all construction, repair, or rehabilitation to be  
4 financed by bonds issued under those sections to determine whether  
5 the construction, rehabilitation, or repair meets the standards  
6 adopted by board rule for cost, efficiency, and space use. If the  
7 construction, rehabilitation, or repair does not meet those  
8 standards, the board shall notify the governor, the lieutenant  
9 governor, the speaker of the house of representatives, and the  
10 Legislative Budget Board.

11 SECTION 4. Section 1371.001(4), Government Code, is amended  
12 to read as follows:

13 (4) "Issuer" means:

14 (A) a home-rule municipality that:

15 (i) adopted its charter under Section 5,  
16 Article XI, Texas Constitution;

17 (ii) has a population of 50,000 or more; and

18 (iii) has outstanding long-term  
19 indebtedness that is rated by a nationally recognized rating agency  
20 for municipal securities in one of the four highest rating  
21 categories for a long-term obligation;

22 (B) a conservation and reclamation district  
23 created and organized as a river authority under Section 52,  
24 Article III, or Section 59, Article XVI, Texas Constitution;

25 (C) a joint powers agency organized and operating  
26 under Chapter 163, Utilities Code;

27 (D) a metropolitan rapid transit authority or



1 regional transportation authority created, organized, and  
2 operating under Chapter 451 or 452, Transportation Code;

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

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

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

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

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

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

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

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

23 (K) a county:

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

26 (ii) that, on the date of issuance of  
27 obligations under this chapter, has authorized, outstanding, or any

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

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

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

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

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

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

24 SECTION 6. This Act does not affect any authority or  
25 restriction regarding the activities that a public institution of  
26 higher education may conduct in connection with a facility financed  
27 by bonds authorized by this Act.

1           SECTION 7. This Act takes effect immediately if it receives  
2 a vote of two-thirds of all the members elected to each house, as  
3 provided by Section 39, Article III, Texas Constitution. If this  
4 Act does not receive the vote necessary for immediate effect, this  
5 Act takes effect on the 91st day after the last day of the  
6 legislative session.