

## BILL ANALYSIS

Senate Research Center  
79R7264 KEL-D

S.B. 900  
By: Eltife  
Finance  
3/15/2005  
As Filed

### AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, the Texas Legislature must authorize the issuance of revenue bonds by state universities. The University of Texas at Tyler (UT-Tyler) has one of the highest enrollment growth rates of all Texas universities. In 1998, the legislature expanded the mission of UT-Tyler and authorized the addition of freshman- and sophomore- level students to what had previously been an upper-division and graduate campus. New construction and building conversion and renovations are needed to accommodate growth on a campus not originally built to be a four-year comprehensive teaching and research university.

As proposed, S.B. 900 authorizes the issuance of revenue bonds for the completion of current capital improvement projects and the renovation of a shopping center to house the College of Engineering and Computer Science at The University of Texas at Tyler.

### RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 55, Education Code, by adding Section 55.17525, as follows:

Sec. 55.17525. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL BONDS.

(a) Authorizes the board of regents (board) of The University of Texas System (UT System), in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, or other facilities, including roads and related infrastructure, for a classroom building and other facilities, including facilities at branch campuses, for The University of Texas at Tyler, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed \$81 million.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the UT System, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board, if sufficient funds are not available to meet its obligations under this section, to transfer funds among institutions, branches, and entities of the UT System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

SECTION 2. Amends Section 61.0572(e), Education Code, to provide that approval of the board is not required to acquire real property that is financed by bonds issued under Section 55.17525, Education Code, with certain exceptions.

SECTION 3. Amends Section 61.058(b), Education Code, to make a conforming change.

SECTION 4. Effective date: upon passage or September 1, 2005.