

BILL ANALYSIS

Senate Research Center
79R7455 KSD-D

S.B. 931
By: Hinojosa
Finance
3/23/2005
As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

The University of Texas--Pan American is proposing three tuition revenue bond projects that will expand and improve its facilities in Hidalgo and Starr counties. The facilities will serve the needs of the growing student and faculty body and will help the institution provide essential academic services to a community in great need of higher education opportunities.

An evaluation by the Texas Higher Education Coordinating Board found the space need for all projects to be critical. As proposed, S.B. 931 addresses the needs of the institution by providing for the issuance additional revenue bonds to complete certain projects.

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 55.17521, as follows:

Sec. 55.17521. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL BONDS.

(a) Authorizes the board of regents of The University of Texas System (board), in addition to the other authority granted by this subchapter, to issue bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, bonds for The University of Texas--Pan American not to exceed certain aggregate principal amounts to finance specific projects.

(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 University of Texas System, including student tuition charges. Prohibits the amount of the 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 University of Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties.

SECTION 2. Amends Section 61.0572(e), Education Code, to provide that the approval of the board is not required to acquire real property that is financed by bonds issued under Section 55.17521.

SECTION 3. Amends Section 61.058(b), Education Code, to provide that this section is inapplicable to construction, repair, or rehabilitation financed by bonds issued under Section 55.17521.

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