

BILL ANALYSIS

Senate Research Center
79R6597 JRJ-D

S.B. 1046
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Finance
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

S.B. 1046 authorizes the Texas A&M University System (TAMU-System) to issue up to \$28,580,500 in tuition revenue bonds for West Texas A&M University. Proceeds from the bonds will be used to fund two campus renovation projects.

The first project is a planned renovation of an older existing building which will be renovated to provide the necessary space for West Texas A&M University's new mechanical engineering program, which is already in place, and to provide needed space for any future engineering programs at West Texas A&M University. The total cost of this project amounts to \$10,850,500, and does include \$600,000 for furniture and movable equipment.

The second project is a renovation of the classroom center at West Texas A&M University. The total cost of this project amounts to \$18,000,000.

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 55.17514, as follows:

Sec. 55.17514. TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) Authorizes the board of regents (board) of The Texas A&M University System (TAMU-System) to acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for educational facilities for West Texas A&M University, 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 \$28,580,500.

(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 TAMU-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, or entities of the TAMU-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. Effective date: September 1, 2005.