

By: Guillen

H.B. No. 1523

A BILL TO BE ENTITLED

1 AN ACT

2 relating to authorizing the issuance of revenue bonds for The
3 University of Texas--Pan American South Texas College
4 Multi-Institution Teaching Center for certain purposes and
5 exempting the property and projects financed by the bonds from
6 prior approval by the Texas Higher Education Coordinating Board.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 SECTION 1. Subchapter B, Chapter 55, Education Code, is
9 amended by adding Section 55.17521 to read as follows:

10 Sec. 55.17521. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL
11 BONDS. (a) In addition to the other authority granted under this
12 subchapter, the board of regents of The University of Texas System
13 may acquire, purchase, construct, improve, renovate, enlarge, or
14 equip property, buildings, structures, facilities, roads, or
15 related infrastructure for The University of Texas--Pan American
16 South Texas College Multi-Institution Teaching Center to address
17 the need for facilities in the Rio Grande Valley high growth
18 corridor, to be financed by the issuance of bonds in accordance with
19 this subchapter, including bonds issued in accordance with a
20 systemwide revenue financing program and secured as provided by
21 that program, in an aggregate principal amount not to exceed \$7.5
22 million.

23 (b) The board may pledge irrevocably to the payment of the
24 bonds authorized by Subsection (a) all or any part of the revenue

1 funds of an institution, branch, or entity of The University of
2 Texas System, including student tuition charges. The amount of a
3 pledge made under this subsection may not be reduced or abrogated
4 while the bonds for which the pledge is made, or bonds issued to
5 refund those bonds, are outstanding.

6 (c) If sufficient funds are not available to the board to
7 meet its obligations under this section, the board may transfer
8 funds among institutions, branches, and entities of The University
9 of Texas System to ensure the most equitable and efficient
10 allocation of available resources for each institution, branch, or
11 entity to carry out its duties and purposes.

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, ~~55.1744~~, or 55.17521, except that the board
18 shall review all real property to be financed by bonds issued under
19 those sections to determine whether the property meets the
20 standards adopted by the board for cost, efficiency, and space use.
21 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 55.17521, except that the board shall
3 review all construction, repair, or rehabilitation to be financed
4 by bonds issued under those sections to determine whether the
5 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. This Act takes effect immediately if it receives
12 a vote of two-thirds of all the members elected to each house, as
13 provided by Section 39, Article III, Texas Constitution. If this
14 Act does not receive the vote necessary for immediate effect, this
15 Act takes effect September 1, 2005.