

By: Morrison, et al.

H.B. No. 2329

A BILL TO BE ENTITLED

1 AN ACT

2 relating to authorizing the issuance of revenue bonds or other
3 obligations to fund capital projects at public institutions of
4 higher education.

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

6 SECTION 1. Subchapter B, Chapter 55, Education Code, is
7 amended by adding Sections 55.1751, 55.1752, 55.1753, 55.1754,
8 55.1755, 55.1756, 55.1757, 55.1758, 55.1759, and 55.17591 to read
9 as follows:

10 Sec. 55.1751. THE TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL
11 BONDS. (a) In addition to the other authority granted by this
12 subchapter, the board of regents of The Texas A&M University System
13 may acquire, purchase, construct, improve, renovate, enlarge, or
14 equip facilities, including roads and related infrastructure, for
15 projects to be financed through the issuance of bonds in accordance
16 with this subchapter and in accordance with a systemwide revenue
17 financing program adopted by the board for the following
18 institutions not to exceed the following aggregate principal
19 amounts for the projects specified as follows:

20 (1) Prairie View A&M University:

21 (A) \$3,656,390 for a solar observatory; and

22 (B) \$9,946,577 for the Child and Family
23 Development Center;

24 (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, \$55 million for
24 educational and related facilities, including an administration
25 building and renovation of Green Hall and Jonsson Hall;

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

27 (A) \$65 million for educational and related

1 facilities, including existing facilities in need of renovation,
2 repair, or completion; and

3 (B) \$70 million for educational and related
4 facilities, including facilities for the College of Health Sciences
5 complex;

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

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

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

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

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

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

20 (B) \$72 million for an engineering building
21 (phase II);

22 (C) \$50 million for the downtown campus
23 architecture building; and

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

26 (9) The University of Texas Southwestern Medical
27 Center at Dallas, \$63 million for facilities to be used primarily to

1 conduct biomedical research;

2 (10) The University of Texas Medical Branch at
3 Galveston, \$57 million for facilities for the National
4 Biocontainment Laboratory;

5 (11) The University of Texas Health Science Center at
6 Houston:

7 (A) \$41,100,000 for an adult stem cell research
8 center at the Texas Medical Center to conduct stem cell and related
9 biomedical research in collaboration with other participating
10 institutions and entities;

11 (B) \$45 million for educational and related
12 facilities for The University of Texas Dental Branch; and

13 (C) \$15 million for educational and related
14 facilities;

15 (12) The University of Texas Health Science Center at
16 San Antonio:

17 (A) \$60 million for the South Texas Research
18 Tower;

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

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

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

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

27 (15) The University of Texas at Tyler, \$51 million for

1 educational and support facilities.

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

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

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

- 25 (1) the University of Houston, \$60 million;
26 (2) the University of Houston--Downtown, \$30 million;
27 (3) the University of Houston--Clear Lake, \$38

1 million; and

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

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

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

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

26 (1) Lamar University, \$40 million for educational
27 facilities;

1 (2) Lamar Institute of Technology, \$4,200,000 for
2 educational facilities;

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

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

7 (5) Sul Ross State University, \$7,500,000 for
8 facilities in the Rio Grande Valley high growth corridor; and

9 (6) Texas State University--San Marcos:

10 (A) \$45,461,248 for infrastructure repairs and
11 improvements;

12 (B) \$47,700,000 for an undergraduate academic
13 center;

14 (C) \$50 million for a fine arts and
15 communications center; and

16 (D) \$40 million for facilities for educational
17 programs and supporting activities at the Round Rock Higher
18 Education Center in Williamson County and for facilities to be used
19 by other educational entities to further institutional efficiency
20 and coordinate educational programs at the center.

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

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

7 Sec. 55.1755. UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL
8 BONDS. (a) In addition to the other authority granted by this
9 subchapter, the board of regents of the University of North Texas
10 System may acquire, purchase, construct, improve, renovate,
11 enlarge, or equip facilities, including roads and related
12 infrastructure, for projects to be financed through the issuance of
13 bonds in accordance with this subchapter and in accordance with a
14 systemwide revenue financing program adopted by the board for the
15 following institutions not to exceed the following aggregate
16 principal amounts for the projects specified as follows:

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

19 (2) the University of North Texas Health Science
20 Center at Fort Worth, \$42,100,000 for campus expansion and
21 construction of a public health education building.

22 (b) The board may pledge irrevocably to the payment of bonds
23 authorized by this section all or any part of the revenue funds of
24 an institution, branch, or entity of the University of North Texas
25 System, including student tuition charges. The amount of a pledge
26 made under this subsection may not be reduced or abrogated while the
27 bonds for which the pledge is made, or bonds issued to refund those

1 bonds, are outstanding.

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

8 Sec. 55.1756. TEXAS WOMAN'S UNIVERSITY. (a) In addition to
9 the other authority granted by this subchapter, the board of
10 regents of Texas Woman's University may acquire, purchase,
11 construct, improve, renovate, enlarge, or equip facilities,
12 including roads and related infrastructure, for Texas Woman's
13 University, to be financed through the issuance of bonds in
14 accordance with this subchapter in an aggregate principal amount
15 not to exceed \$44,500,000.

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

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

1 University.

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

8 Sec. 55.1758. STEPHEN F. AUSTIN STATE UNIVERSITY. (a) In
9 addition to the other authority granted by this subchapter, the
10 board of regents of Stephen F. Austin State University may acquire,
11 purchase, construct, improve, renovate, enlarge, or equip
12 facilities, including roads and related infrastructure, at Stephen
13 F. Austin University, to be financed through the issuance of bonds
14 in accordance with this subchapter in an aggregate principal
15 amount not to exceed \$65,450,000.

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

22 Sec. 55.1759. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL
23 BONDS. (a) In addition to the other authority granted by this
24 subchapter, the board of regents of the Texas Tech University
25 System may acquire, purchase, construct, improve, renovate,
26 enlarge, or equip facilities, including roads and related
27 infrastructure, for projects to be financed through the issuance of

1 bonds in accordance with this subchapter and in accordance with a
2 systemwide revenue financing program adopted by the board not to
3 exceed the following aggregate principal amounts for the projects
4 specified as follows:

5 (1) Texas Tech University Health Sciences Center:

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

10 (B) \$9 million for the medical science building
11 for the Texas Tech University Health Sciences Center in El Paso; and

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

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

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 an institution, branch, or entity of the Texas Tech University
22 System, including student tuition charges. The amount of a pledge
23 made under this subsection may not be reduced or abrogated while the
24 bonds for which the pledge is made, or bonds issued to refund those
25 bonds, are outstanding.

26 (c) If sufficient funds are not available to the board to
27 meet its obligations under this section, the board may transfer

1 funds among institutions, branches, and entities of the Texas Tech
2 University System to ensure the most equitable and efficient
3 allocation of available resources for each institution, branch, or
4 entity to carry out its duties and purposes.

5 Sec. 55.17591. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL
6 BONDS. (a) In addition to the other authority granted by this
7 subchapter, the board of regents of Texas Southern University may
8 acquire, purchase, construct, improve, renovate, enlarge, or equip
9 facilities, including roads and related infrastructure, for a
10 multipurpose university center, a fine arts building, a building
11 for the school of technology, the Robert J. Terry Library, and
12 deferred maintenance of campus facilities and infrastructure, to be
13 financed through the issuance of bonds in accordance with this
14 subchapter in an aggregate principal amount not to exceed
15 \$109,560,000.

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

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

24 (e) Approval of the board is not required to acquire real
25 property that is financed by bonds issued under Section 55.17(e)(3)
26 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174,
27 55.1742, 55.1743, ~~or~~ 55.1744, or 55.1751-55.17591, except that

1 the board shall review all real property to be financed by bonds
2 issued under those sections to determine whether the property meets
3 the standards adopted by the board for cost, efficiency, and space
4 use. If the property does not meet those standards, the board shall
5 notify the governor, the lieutenant governor, the speaker of the
6 house of representatives, and the Legislative Budget Board.

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

9 (b) This section does not apply to construction, repair, or
10 rehabilitation financed by bonds issued under Section 55.17(e)(3)
11 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174, 55.1742,
12 55.1743, ~~or~~ 55.1744, or 55.1751-55.17591, except that the board
13 shall review all construction, repair, or rehabilitation to be
14 financed by bonds issued under those sections to determine whether
15 the construction, rehabilitation, or repair meets the standards
16 adopted by board rule for cost, efficiency, and space use. If the
17 construction, rehabilitation, or repair does not meet those
18 standards, the board shall notify the governor, the lieutenant
19 governor, the speaker of the house of representatives, and the
20 Legislative Budget Board.

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

23 (4) "Issuer" means:
24 (A) a home-rule municipality that:
25 (i) adopted its charter under Section 5,
26 Article XI, Texas Constitution;
27 (ii) has a population of 50,000 or more; and

1 (iii) has outstanding long-term
2 indebtedness that is rated by a nationally recognized rating agency
3 for municipal securities in one of the four highest rating
4 categories for a long-term obligation;

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

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

10 (D) a metropolitan rapid transit authority or
11 regional transportation authority created, organized, and
12 operating under Chapter 451 or 452, Transportation Code;

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

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

19 (G) a state agency, including a state institution
20 of higher education;

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

23 (i) has a population of more than 3.3
24 million; or

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

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

3 (J) a nonprofit corporation organized to
4 exercise the powers of a higher education authority under Section
5 53.47(e), Education Code;

6 (K) a county with a population of 3.3 million or
7 more;

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

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

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

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

18 SECTION 5. This Act takes effect immediately if it receives
19 a vote of two-thirds of all the members elected to each house, as
20 provided by Section 39, Article III, Texas Constitution. If this
21 Act does not receive the vote necessary for immediate effect, this
22 Act takes effect September 1, 2005.