

By: Morrison

H.B. No. 2329

Substitute the following for H.B. No. 2329:

By: Gallego

C.S.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 System
18 Center--San Antonio, \$80 million for educational and related
19 facilities for Texas A&M University--Kingsville System Center--San
20 Antonio at the location proposed for Texas A&M University--San
21 Antonio;

22 (7) Texas A&M University--Texarkana, \$65 million for
23 educational and support facilities;

24 (8) West Texas A&M University, \$28,580,500 for
25 educational facilities; and

26 (9) The Texas A&M University Health Science Center:

27 (A) \$7,250,000 for the dentistry sciences

1 building of the Baylor College of Dentistry; and

2 (B) \$40 million for educational facilities for
3 the College of Medicine.

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

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

17 Sec. 55.1752. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL
18 BONDS. (a) In addition to the other authority granted by this
19 subchapter, the board of regents of The University of Texas System
20 may acquire, purchase, construct, improve, renovate, enlarge, or
21 equip facilities, including roads and related infrastructure, for
22 projects to be financed through the issuance of bonds in accordance
23 with this subchapter and in accordance with a systemwide revenue
24 financing program adopted by the board for the following
25 institutions not to exceed the following aggregate principal
26 amounts for the projects specified as follows:

27 (1) The University of Texas at Arlington, \$76,600,000

1 for educational and related facilities, including an Engineering
2 Research Building and the renovation of three engineering
3 facilities;

4 (2) The University of Texas at Austin, \$75 million for
5 campus fire and life safety upgrades and for the Experimental
6 Science Building;

7 (3) The University of Texas at Brownsville,
8 \$46,300,000 for educational and related facilities, including a
9 classroom, laboratory, and office building;

10 (4) The University of Texas at Dallas, \$55 million for
11 educational and related facilities, including an administration
12 building and renovation of Green Hall and Jonsson Hall;

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

14 (A) \$65 million for educational and related
15 facilities, including existing facilities in need of renovation,
16 repair, or completion; and

17 (B) \$70 million for educational and related
18 facilities, including facilities for the College of Health Sciences
19 complex;

20 (6) The University of Texas--Pan American, \$7,500,000
21 for The University of Texas--Pan American South Texas College
22 Multi-Institution Teaching Center to address the need for
23 facilities in the Rio Grande Valley high growth corridor;

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

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

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

3 (B) \$72 million for an engineering building
4 (phase II);

5 (C) \$50 million for the downtown campus
6 architecture building; and

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

9 (9) The University of Texas Southwestern Medical
10 Center at Dallas, \$42 million for facilities to be used primarily to
11 conduct biomedical research;

12 (10) The University of Texas Medical Branch at
13 Galveston, \$57 million for facilities for the National
14 Biocontainment Laboratory;

15 (11) The University of Texas Health Science Center at
16 Houston:

17 (A) \$24,670,000 for an adult stem cell research
18 center at the Texas Medical Center to conduct stem cell and related
19 biomedical research in collaboration with other participating
20 institutions and entities;

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

23 (C) \$15 million for educational and related
24 facilities;

25 (12) The University of Texas Health Science Center at
26 San Antonio:

27 (A) \$60 million for the South Texas Research

1 Tower;

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

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

5 (13) The University of Texas Health Science Center at
6 Tyler, \$34,400,000 for educational and related facilities,
7 including an academic center; and

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

10 (b) The board may pledge irrevocably to the payment of bonds
11 authorized by this section all or any part of the revenue funds of
12 an institution, branch, or entity of The University of Texas
13 System, including student tuition charges. The amount of a pledge
14 made under this subsection may not be reduced or abrogated while the
15 bonds for which the pledge is made, or bonds issued to refund those
16 bonds, are outstanding.

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

23 Sec. 55.1753. UNIVERSITY OF HOUSTON SYSTEM; ADDITIONAL
24 BONDS. (a) In addition to the other authority granted by this
25 subchapter, the board of regents of the University of Houston
26 System may acquire, purchase, construct, improve, renovate,
27 enlarge, or equip facilities, including roads and related

1 infrastructure, for the following institutions, to be financed
2 through the issuance of bonds in accordance with this subchapter
3 and in accordance with a systemwide revenue financing program
4 adopted by the board, in aggregate principal amounts not to exceed
5 the following:

6 (1) the University of Houston, \$60 million;

7 (2) the University of Houston--Downtown, \$30 million;

8 (3) the University of Houston--Clear Lake, \$38
9 million; and

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

11 (b) The board may pledge irrevocably to the payment of bonds
12 authorized by this section all or any part of the revenue funds of
13 an institution, branch, or entity of the University of Houston
14 System, including student tuition charges. The amount of a pledge
15 made under this subsection may not be reduced or abrogated while the
16 bonds for which the pledge is made, or bonds issued to refund those
17 bonds, are outstanding.

18 (c) If sufficient funds are not available to the board to
19 meet its obligations under this section, the board may transfer
20 funds among institutions, branches, and entities of the University
21 of Houston System to ensure the most equitable and efficient
22 allocation of available resources for each institution, branch, or
23 entity to carry out its duties and purposes.

24 Sec. 55.1754. TEXAS STATE UNIVERSITY SYSTEM; ADDITIONAL
25 BONDS. (a) In addition to the other authority granted by this
26 subchapter, the board of regents of the Texas State University
27 System may acquire, purchase, construct, improve, renovate,

1 enlarge, or equip facilities, including roads and related
2 infrastructure, for projects to be financed through the issuance of
3 bonds in accordance with this subchapter and in accordance with a
4 systemwide revenue financing program adopted by the board for the
5 following institutions not to exceed the following aggregate
6 principal amounts for the projects specified as follows:

7 (1) Lamar University, \$40 million for educational
8 facilities;

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

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

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

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

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

18 (A) \$45,461,248 for infrastructure repairs and
19 improvements;

20 (B) \$47,700,000 for an undergraduate academic
21 center;

22 (C) \$50 million for a fine arts and
23 communications center; and

24 (D) \$40 million for facilities for educational
25 programs and supporting activities at the Round Rock Higher
26 Education Center in Williamson County and for facilities to be used
27 by other educational entities to further institutional efficiency

1 and coordinate educational programs at the center.

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

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

27 (2) the University of North Texas Health Science

1 Center at Fort Worth, \$42,100,000 for campus expansion and
2 construction of a public health education building.

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 North Texas
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 North Texas 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. 55.1756. TEXAS WOMAN'S UNIVERSITY. (a) In addition to
17 the other authority granted by this subchapter, the board of
18 regents of Texas Woman's University may acquire, purchase,
19 construct, improve, renovate, enlarge, or equip facilities,
20 including roads and related infrastructure, for Texas Woman's
21 University, to be financed through the issuance of bonds in
22 accordance with this subchapter in an aggregate principal amount
23 not to exceed \$44,500,000.

24 (b) The board may pledge irrevocably to the payment of bonds
25 authorized by this section all or any part of the revenue funds of
26 Texas Woman's University, including student tuition charges. The
27 amount of a pledge made under this subsection may not be reduced or

1 abrogated while the bonds for which the pledge is made, or bonds
2 issued to refund those bonds, are outstanding.

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

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

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

24 (b) The board may pledge irrevocably to the payment of bonds
25 authorized by this section all or any part of the revenue funds of
26 Stephen F. Austin State University, including student tuition
27 charges. The amount of a pledge made under this subsection may not

1 be reduced or abrogated while the bonds for which the pledge is
2 made, or bonds issued to refund those bonds, are outstanding.

3 Sec. 55.1759. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL
4 BONDS. (a) In addition to the other authority granted by this
5 subchapter, the board of regents of the Texas Tech University
6 System may acquire, purchase, construct, improve, renovate,
7 enlarge, or equip facilities, including roads and related
8 infrastructure, for the Texas Tech University Health Sciences
9 Center, 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 not to exceed the following
12 aggregate principal amounts for the projects specified as follows:

13 (1) \$3,500,000 for facilities in the City of Midland
14 for the Texas Tech University Health Sciences Center School of
15 Medicine's Permian Basin OB-GYN residency program; and

16 (2) \$10 million for facilities in the City of Midland
17 for the Texas Tech University Health Sciences Center's physician's
18 assistant program and the Department of Internal Medicine residency
19 program.

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

27 (c) If sufficient funds are not available to the board to

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

6 Sec. 55.17591. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL
7 BONDS. (a) In addition to the other authority granted by this
8 subchapter, the board of regents of Texas Southern University may
9 acquire, purchase, construct, improve, renovate, enlarge, or equip
10 facilities, including roads and related infrastructure, for a
11 multipurpose university center, a fine arts building, a building
12 for the school of technology, the Robert J. Terry Library, and
13 deferred maintenance of campus facilities and infrastructure, to be
14 financed through the issuance of bonds in accordance with this
15 subchapter in an aggregate principal amount not to exceed
16 \$109,560,000.

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

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

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

1 55.1742, 55.1743, [~~or~~] 55.1744, or 55.1751-55.17591, except that
2 the board shall review all real property to be financed by bonds
3 issued under those sections to determine whether the property meets
4 the standards adopted by the board for cost, efficiency, and space
5 use. If the property does not meet those standards, the board shall
6 notify the governor, the lieutenant governor, the speaker of the
7 house of representatives, and the Legislative Budget Board.

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

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

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

24 (4) "Issuer" means:

25 (A) a home-rule municipality that:

26 (i) adopted its charter under Section 5,
27 Article XI, Texas Constitution;

1 (ii) has a population of 50,000 or more; and
2 (iii) has outstanding long-term
3 indebtedness that is rated by a nationally recognized rating agency
4 for municipal securities in one of the four highest rating
5 categories for a long-term obligation;

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

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

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

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

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

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

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

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

26 (ii) is included, in whole or in part, in a
27 standard metropolitan statistical area of this state that includes

1 a county with a population of more than 2.2 million;

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

4 (J) a nonprofit corporation organized to
5 exercise the powers of a higher education authority under Section
6 53.47(e), Education Code;

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

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

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

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

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

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