

By: Gallego

H.B. No. 2582

A BILL TO BE ENTITLED

AN ACT

relating to authorizing the issuance of revenue bonds for Sul Ross State University Rio Grande College for certain purposes and exempting the property and projects financed by the bonds from prior approval by the Texas Higher Education Coordinating Board.

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

SECTION 1. Subchapter B, Chapter 55, Education Code, is amended by adding Section 55.1754 to read as follows:

Sec. 55.1754. THE TEXAS STATE UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted under this subchapter, the board of regents of The Texas State University System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for Sul Ross State University Rio Grande College to address the need for facilities in the Rio Grande Valley high growth corridor, 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 \$7.5 million.

(b) The board may pledge irrevocably to the payment of the bonds authorized by Subsection (a) all or any part of the revenue funds of an institution, branch, or entity of The Texas State University System, including student tuition charges. The amount

1 of a pledge made under this subsection may not be reduced or
2 abrogated while the bonds for which the pledge is made, or bonds
3 issued to refund those bonds, are outstanding.

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

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

12 (e) Approval of the board is not required to acquire real
13 property that is financed by bonds issued under Section 55.17(e)(3)
14 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174,
15 55.1742, 55.1743, ~~[or]~~ 55.1744, or 55.1754, except that the board
16 shall review all real property to be financed by bonds issued under
17 those sections to determine whether the property meets the
18 standards adopted by the board for cost, efficiency, and space use.
19 If the property does not meet those standards, the board shall
20 notify the governor, the lieutenant governor, the speaker of the
21 house of representatives, and the Legislative Budget Board.

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

24 (b) This section does not apply to construction, repair, or
25 rehabilitation financed by bonds issued under Section 55.17(e)(3)
26 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174, 55.1742,
27 55.1743, ~~[or]~~ 55.1744, or 55.1754, except that the board shall

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

9 SECTION 4. This Act takes effect immediately if it receives
10 a vote of two-thirds of all the members elected to each house, as
11 provided by Section 39, Article III, Texas Constitution. If this
12 Act does not receive the vote necessary for immediate effect, this
13 Act takes effect September 1, 2005.