

BILL ANALYSIS

Senate Research Center
80R4007 KSD-D

S.B. 260
By: Gallegos
Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The University of Houston is facing a need for more classroom space for its central campus. However, current law would have to be amended to allow for the issuance of additional bonds for purposes of constructing this new facility.

As proposed, S.B. 260 authorizes the University of Houston System to issue tuition revenue bonds for the construction of a stand-alone building for the Center for Mexican American Studies on the University of Houston's central campus. The proposed facility would meet a critical university-wide need for additional space dedicated to instruction, administration, artistic performances, electronic computation, and bibliographic and archival collections.

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 55.1763, as follows:

Sec. 55.1763. UNIVERSITY OF HOUSTON SYSTEM; ADDITIONAL BONDS. (a) Authorizes the board of regents for the University of Houston (board) to take certain actions regarding the operation, maintenance, and upgrading of the University of Houston Center for Mexican American Studies with funding provided by the issuance of bonds in an aggregate principal amount not to exceed \$5.6 million.

(b) Authorizes the board to pledge irrevocably to the payment of those bonds through any revenue within the University of Houston system (system). Prohibits the amount of the pledge from being reduced or abrogated while any connected bonds remain outstanding.

(c) Authorizes the board to transfer funds among entities of the system, in such a way to ensure each entity within the system can carry out its duties and purposes, toward the payment of the bonds if sufficient funds are not available.

SECTION 2. Amends Section 61.0572(e), Education Code, to include Section 55.1763, Education Code, in the list of bonds for which funding can be used to acquire real property without the approval of the board.

SECTION 3. Amends Section 61.058(b), Education Code, to include Section 55.1763, Education Code, in the list of bonds for which funding can be used for construction, repair, or rehabilitation without the approval of the board, but for which the board must review the actions taken to see if those actions meet standards adopted by the board. Requires the board to notify certain elected officials if those standards are not met.

SECTION 4. Effective date: upon passage or September 1, 2007.