

By: Otto

H.B. No. 3291

A BILL TO BE ENTITLED

1 AN ACT

2 relating to a prohibition against the governing board of a public
3 institution of higher education entering into certain contracts
4 relating to permanent improvements at the institution.

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

6 SECTION 1. Subchapter T, Chapter 51, Education Code, is
7 amended by adding Section 51.785 to read as follows:

8 Sec. 51.785. CERTAIN CONTRACTS PROHIBITED. The board of an
9 institution may not enter into a contract with a person relating to
10 a permanent improvement project at the institution under which the
11 institution makes contractual payments to the person that are not
12 reflected on the institution's financial statement unless the
13 board:

14 (1) is specifically authorized to enter into the
15 contract by other law; or

16 (2) receives prior approval by the Texas Higher
17 Education Coordinating Board.

18 SECTION 2. Section 51.785, Education Code, as added by
19 this Act, applies only to a contract entered into on or after the
20 effective date of this Act.

21 SECTION 3. This Act takes effect immediately if it receives
22 a vote of two-thirds of all the members elected to each house, as
23 provided by Section 39, Article III, Texas Constitution. If this
24 Act does not receive the vote necessary for immediate effect, this

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1 Act takes effect September 1, 2007.