

By: Otto

H.B. No. 3291

A BILL TO BE ENTITLED

AN ACT

1  
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.