

1-1 By: Otto (Senate Sponsor - Averitt) H.B. No. 3291  
1-2 (In the Senate - Received from the House May 9, 2007;  
1-3 May 10, 2007, read first time and referred to Subcommittee on  
1-4 Higher Education; May 18, 2007, reported favorably from Committee  
1-5 on Education by the following vote: Yeas 8, Nays 0; May 18, 2007,  
1-6 sent to printer.)

1-7 A BILL TO BE ENTITLED  
1-8 AN ACT

1-9 relating to a prohibition against the governing board of a public  
1-10 institution of higher education entering into certain contracts  
1-11 relating to permanent improvements at the institution.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subchapter T, Chapter 51, Education Code, is  
1-14 amended by adding Section 51.785 to read as follows:

1-15 Sec. 51.785. CERTAIN CONTRACTS PROHIBITED. The board of an  
1-16 institution may not enter into a contract with a person relating to  
1-17 a permanent improvement project at the institution under which the  
1-18 institution makes contractual payments to the person that are not  
1-19 reflected on the institution's financial statement unless the  
1-20 board:

1-21 (1) is specifically authorized to enter into the  
1-22 contract by other law; or

1-23 (2) receives prior approval by the Texas Higher  
1-24 Education Coordinating Board.

1-25 SECTION 2. Section 51.785, Education Code, as added by  
1-26 this Act, applies only to a contract entered into on or after the  
1-27 effective date of this Act.

1-28 SECTION 3. This Act takes effect immediately if it receives  
1-29 a vote of two-thirds of all the members elected to each house, as  
1-30 provided by Section 39, Article III, Texas Constitution. If this  
1-31 Act does not receive the vote necessary for immediate effect, this  
1-32 Act takes effect September 1, 2007.

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