

1-1 By: Williams S.B. No. 1640
1-2 (In the Senate - Filed March 8, 2007; March 21, 2007, read
1-3 first time and referred to Committee on Finance; May 14, 2007,
1-4 reported adversely, with favorable Committee Substitute by the
1-5 following vote: Yeas 13, Nays 0; May 14, 2007, sent to printer.)

1-6 COMMITTEE SUBSTITUTE FOR S.B. No. 1640 By: Williams

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

1-9 relating to the student loan program administered by the Texas
1-10 Higher Education Coordinating Board; authorizing the issuance of
1-11 bonds.

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

1-13 SECTION 1. Section 52.01, Education Code, is amended to
1-14 read as follows:

1-15 Sec. 52.01. ADMINISTRATION. The Texas Higher Education
1-16 Coordinating Board, or its successors, shall administer the student
1-17 loan program authorized by this chapter pursuant to [Article III,
1-18 Sections 50b-1, 50b-2, 50b-3, 50b-4, [and] 50b-5, and 50b-6,
1-19 Article III, [of the] Texas Constitution, and any former provision
1-20 of the Texas Constitution authorizing bonds to finance educational
1-21 loans to students. Personnel and other expenses required to
1-22 properly administer this chapter shall be funded by:

1-23 (1) the general appropriations acts; or

1-24 (2) any other source of revenue received by the board
1-25 in connection with the operation of the student loan program.

1-26 SECTION 2. Subdivision (4), Section 52.501, Education Code,
1-27 is amended to read as follows:

1-28 (4) "Bond" means a general obligation bond issued by
1-29 the board under [Article III,] Section 50b-3, [50b-4,
1-30 [or] 50b-5, or 50b-6, Article III, [of the] Texas
1-31 Constitution, or any former provision of the Texas Constitution
1-32 authorizing bonds to finance educational loans to students.

1-33 SECTION 3. Subdivision (2), Section 52.81, Education Code,
1-34 is amended to read as follows:

1-35 (2) "Bond" means a general obligation bond issued by
1-36 the board under former [Article III,] Section 50b-3, [or] Section
1-37 50b-4, [or] 50b-5, or 50b-6, Article III, [of the] Texas
1-38 Constitution.

1-39 SECTION 4. Subsection (a), Section 52.82, Education Code,
1-40 is amended to read as follows:

1-41 (a) The board may by resolution authorize the issuance of
1-42 general obligation bonds in total aggregate amounts not to exceed:

1-43 (1) \$300 million under former Section 50b-3, Article
1-44 III, Texas Constitution;

1-45 (2) \$300 million under Section 50b-4, Article III,
1-46 Texas Constitution; [and]

1-47 (3) \$400 million under Section 50b-5, Article III,
1-48 Texas Constitution; and

1-49 (4) \$500 million under Section 50b-6, Article III,
1-50 Texas Constitution.

1-51 SECTION 5. Section 52.87, Education Code, is amended to
1-52 read as follows:

1-53 Sec. 52.87. MANDAMUS. The performance of official duties
1-54 prescribed by this subchapter and by former Section [Article III,
1-55 Sections] 50b-3, [and] Sections 50b-4, [and] 50b-5, and 50b-6,
1-56 Article III, [of the] Texas Constitution, in reference to the
1-57 payment of the bonds, may be enforced in a court of competent
1-58 jurisdiction by mandamus or other appropriate proceedings.

1-59 SECTION 6. This Act takes effect on the date on which the
1-60 constitutional amendment proposed by the 80th Legislature, Regular
1-61 Session, 2007, providing for the issuance of \$500 million in
1-62 general obligation bonds to finance educational loans to students
1-63 and authorizing bond enhancement agreements with respect to general

2-1 obligation bonds issued for that purpose takes effect. If that
2-2 amendment is not approved by the voters, this Act has no effect.

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