

Amend SB 2567 (Senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering the other sections of the bill accordingly:

SECTION _____. Subchapter B, Chapter 55, Education Code, is amended by adding Section 55.17721 to read as follows:

Sec. 55.17721. THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON. (a) In addition to the other authority granted by this subchapter and subject to the other provisions of this section, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for The University of Texas Medical Branch at Galveston for any purpose reasonably necessary to assist the institution to recover from any damage or other impact caused by Hurricane Ike, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed \$150 million.

(b) The board may pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The University of Texas System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The University of Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

(d) Any transfer of funds to the board pursuant to an appropriation of state funds to the board or the medical branch for the purpose of reimbursing the board for all or part of the debt service on bonds issued under this section is subject to the prior approval of the Legislative Budget Board. In determining whether

to approve a transfer of state funds for that purpose, the Legislative Budget Board shall consider:

(1) whether the commissioners court of the county in which the medical branch is located has entered into an agreement with the board under which the county agrees to reimburse the board for all or part of any otherwise unreimbursed costs incurred by the medical branch to provide health care services to individuals who are residents of the county and whose net family income is not more than 100 percent of the federal poverty level; or

(2) whether the county in which the medical branch is located or a hospital district that includes that county imposes an ad valorem tax for health care purposes.

(e) For purposes of Subsection (d), the county of residence of an individual is determined in the same manner as provided by Chapter 61, Health and Safety Code.

SECTION _____. Section 61.0572(e), Education Code, is amended to read as follows:

(e) Approval of the board is not required to acquire real property that is financed by bonds issued under Section 55.17(e)(3) or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174, 55.1742, 55.1743, 55.1744, 55.1751-55.17592, ~~or~~ 55.1768, or 55.17721, except that the board shall review all real property to be financed by bonds issued under those sections to determine whether the property meets the standards adopted by the board for cost, efficiency, and space use. If the property does not meet those standards, the board shall notify the governor, the lieutenant governor, the speaker of the house of representatives, and the Legislative Budget Board.

SECTION _____. Section 61.058(b), Education Code, is amended to read as follows:

(b) This section does not apply to construction, repair, or rehabilitation financed by bonds issued under Section 55.17(e)(3) or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174, 55.1742, 55.1743, 55.1744, 55.1751-55.17592, ~~or~~ 55.1768, or 55.17721, except that the board shall review all construction, repair, or rehabilitation to be financed by bonds issued under those sections to determine whether the construction, rehabilitation, or repair

meets the standards adopted by board rule for cost, efficiency, and space use. If the construction, rehabilitation, or repair does not meet those standards, the board shall notify the governor, the lieutenant governor, the speaker of the house of representatives, and the Legislative Budget Board.