

BILL ANALYSIS

C.S.H.B. 1967
By: Aycock
Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The 79th Legislature, 3rd Called Session, 2006, passed H.B. 153, an omnibus tuition revenue bond bill for higher education. The bill authorized the issuance of \$1.8 billion in tuition revenue bonds for institutions of higher education to finance construction, infrastructure improvement, and tuition revenue bonds for university system centers located in Killeen, San Antonio, and Dallas but placed certain restrictions on that bonding authority to postpone the issuance of any bonds for a center until that center reached a specified full-time student equivalent (FTSE) enrollment threshold, at which point a center could begin operating as a general academic teaching institution. Currently, all three of the system centers have met the 1,000 FTSE enrollment threshold required for independence.

C.S.H.B. 1967 authorizes The Texas A&M University System and the University of North Texas System to issue the previously authorized revenue bonds without the existing conditions.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1967 amends the Education Code to remove provisions that set the minimum full-time student enrollment equivalent threshold required for Texas A&M University--Kingsville System Center--San Antonio to operate as a general academic teaching institution known as Texas A&M University--San Antonio at either 1,000 full-time students for a semester contingent on the legislature authorizing the issuance of revenue bonds to finance educational and related facilities for the institution and the subsequent issuance of those bonds or at 2,500 full-time students for a semester in the absence of such bonding authority, leaving the enrollment equivalent requirement of 1,000 full-time students for one semester.

C.S.H.B. 1967 removes a provision prohibiting the University of North Texas at Dallas from receiving general revenue in excess of the 2003 expended amount, with certain exceptions, before reaching 2,500 full-time equivalent students and a provision making the institution ineligible to receive the small school supplement in the General Academic Instruction and Operations Formula until it reaches a 2,500 full-time equivalent student enrollment.

C.S.H.B. 1967 repeals Education Code provisions that prohibit The Texas A&M University System board of regents from issuing bonds for facilities at Texas A&M University--Central Texas and at Texas A&M University--San Antonio until the Texas Higher Education Coordinating Board certifies each campus has reached an enrollment equivalent of 1,500 full-time students and that provide for the bonding authority's expiration if the enrollment thresholds are not reached by January 1, 2010. The bill repeals a similar provision that prohibits the University of North Texas System board of regents from issuing bonds for facilities at the University of North Texas Dallas Campus until that campus reaches a coordinating board-

certified enrollment equivalent of 1,500 full-time students and that provides for the bonding authority's expiration if the enrollment threshold is not reached by January 1, 2010.

C.S.H.B. 1967 repeals the following sections of the Education Code:

- Sections 55.1751(d) and (e)
- Section 55.1755(d).

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 1967 adds a provision not in the original to remove the statutory provisions that set the minimum student enrollment equivalent threshold required for Texas A&M University--Kingsville System Center--San Antonio to operate as a general academic teaching institution known as Texas A&M University--San Antonio at either 1,000 full-time students for a semester or at 2,500 full-time students for a semester, depending on whether the legislature authorizes the issuance of revenue bonds to finance educational and related facilities for the institution and whether those bonds are issued, leaving the enrollment equivalent requirement of 1,000 full-time students for one semester. The substitute adds a provision not in the original to remove provisions prohibiting the University of North Texas at Dallas from receiving general revenue in excess of the 2003 expended amount, with certain exceptions, and making the institution ineligible to receive the small school supplement in the General Academic Instruction and Operations Formula until it reaches 2,500 full-time equivalent student enrollment.