BILL ANALYSIS

BACKGROUND AND PURPOSE

Current capitol project approval levels for institutions of higher learning are considered to be ineffectively low by modern building standards. This has slowed the approval process for institutions of higher education seeking approval by the Texas Higher Education Coordinating Board (THECB).

The bill would streamline the process for approving certain construction, repair, and rehabilitation projects. As proposed, S.B. 1796 increases, from $2 million to $4 million the threshold for instances in which THECB approval would be necessary for certain projects, and increases, from $1 million to $4 million the amount over which THECB is required to approve for new construction projects.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 of this bill.

ANALYSIS

The bill amends the Education Code to increase the cost thresholds that determine whether the Texas Higher Education Coordinating Board approval is required for certain construction, repair, or rehabilitation projects at public institutions of higher education. The bill increases from $1 million to $4 million the total project cost threshold for board approval for new construction and from $2 million to $4 million the total cost threshold for board approval for major repair and rehabilitation of buildings and facilities. The bill makes conforming changes to incorporate the $4 million total cost threshold in provisions limiting the board's consideration and determination of approval to certain factors.

The bill authorizes the board, by rule, to increase the total cost thresholds required for board approval for all projects as delineated by the bill, as necessary to ensure that the board is required to approve only substantial construction, repair, or rehabilitation projects at institutions of higher education.

EFFECTIVE DATE

September 1, 2009.