

By: Jackson

S.B. No. 1952

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the authorization of certain municipalities and  
3 counties to issue public securities for the financing of permanent  
4 improvements for use by an institution of higher education.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 1434.001, Government Code, is amended to  
7 read as follows:

8 Sec. 1434.001. APPLICABILITY OF CHAPTER. This chapter  
9 applies only to:

10 (1) a home-rule municipality with a population of  
11 25,000 or more that has an [a general academic teaching]  
12 institution of higher education located within its boundaries or  
13 has entered into an agreement with an institution of higher  
14 education relating to the provision of services in furtherance of  
15 the completion of certificate programs, degree programs, or other  
16 higher education programs within the municipality by the  
17 institution of higher education; or

18 (2) a county within which a municipality described by  
19 Subdivision (1) is located.

20 SECTION 2. Section 1434.002, Government Code, is amended to  
21 read as follows:

22 Sec. 1434.002. DEFINITIONS. In this chapter:

23 (1) "Agreement" includes a lease, contract, or  
24 lease-purchase agreement.

1           (2) "Institution of higher education" means:

2                   (A) an institution of higher education as defined  
3 by Section 61.003, Education Code, other than a public junior  
4 college; or

5                   (B) a private, nonprofit institution of higher  
6 education that is accredited by the recognized accrediting agency  
7 and is located and authorized to operate in this state, other than a  
8 private institution of higher education operated exclusively for  
9 sectarian purposes.

10           (3) [~~(2)~~] "Public security" has the meaning assigned  
11 by Section 1201.002.

12           (4) [~~(3)~~] "Recognized accrediting agency" has the  
13 meaning assigned by Section 61.003, Education Code.

14           SECTION 3. Section 1434.003, Government Code, is amended to  
15 read as follows:

16           Sec. 1434.003. LEGISLATIVE FINDING. The legislature finds:

17           (1) that the assistance provided by counties and  
18 municipalities in promoting and providing higher education  
19 opportunities for residents of this state will benefit and enhance  
20 the general welfare of their residents by providing new and  
21 alternative higher education resources and enhanced access to those  
22 resources, improving and enhancing the educational opportunities  
23 of their residents, and allowing the completion of certificate  
24 programs, degree programs, and other higher education programs  
25 locally; and

26           (2) that those benefits and enhancements constitute  
27 public purposes for counties and municipalities [~~encourage the~~

1 ~~development and diversification of the economy of this state and~~  
2 ~~the elimination of unemployment and underemployment in this state].~~

3 SECTION 4. Section 1434.051, Government Code, is amended by  
4 adding Subsection (a-1) to read as follows:

5 (a-1) A municipality that has entered into an agreement  
6 described by Section 1434.001(1) may:

7 (1) issue public securities, including certificates  
8 of obligation, to acquire, construct, or improve land, buildings,  
9 or other permanent improvements for use by an institution of higher  
10 education;

11 (2) impose ad valorem taxes to pay and secure payment  
12 of the principal of and interest on those securities and to provide  
13 a sinking fund; and

14 (3) pledge those taxes, any portion of the revenues  
15 received in connection with the agreement, or any combination of  
16 the taxes and revenue to secure payment of any portion of the public  
17 securities issued to acquire, construct, or improve the land,  
18 buildings, or other permanent improvements for use by the  
19 institution of higher education.

20 SECTION 5. Any notice published by a municipality  
21 indicating the intent of the municipality to issue certificates of  
22 obligation in accordance with Subchapter C, Chapter 271, Local  
23 Government Code, for a purpose authorized by this Act is effective  
24 in accordance with its terms without regard to whether the notice  
25 was published before the effective date of this Act.

26 SECTION 6. This Act takes effect immediately if it receives  
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2009.