

By: Jackson

S.B. No. 1952

A BILL TO BE ENTITLED

AN ACT

relating to the authorization of certain municipalities and counties to issue public securities for the financing of permanent improvements for use by an institution of higher education.

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

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

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

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

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

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

Sec. 1434.002. DEFINITIONS. In this chapter:

(1) "Agreement" includes a lease, contract, or 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.