

By: Jackson, Mike

S.B. No. 1952

A BILL TO BE ENTITLED

AN ACT

1  
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 educational services within  
15 the municipality by the institution of higher education; or

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

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

20 Sec. 1434.002. DEFINITIONS. In this chapter:

21 (1) "Agreement" includes a lease, contract, or  
22 lease-purchase agreement.

23 (2) [(1)] "Institution of higher education" means:

24 (A) an institution of higher education as defined

1 by Section 61.003, Education Code, other than a public junior  
2 college; or

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

8 (3) [~~(2)~~] "Public security" has the meaning assigned  
9 by Section 1201.002.

10 (4) [~~(3)~~] "Recognized accrediting agency" has the  
11 meaning assigned by Section 61.003, Education Code.

12 SECTION 3. Section 1434.003, Government Code, is amended to  
13 read as follows:

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

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

24 (2) that those benefits and enhancements constitute  
25 public purposes for counties and municipalities [~~encourage the~~  
26 ~~development and diversification of the economy of this state and~~  
27 ~~the elimination of unemployment and underemployment in this state~~].

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

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

5 (1) issue public securities, including certificates  
6 of obligation, to acquire, construct, or improve land, buildings,  
7 or other permanent improvements for use by an institution of higher  
8 education located within a county to which this chapter applies;

9 (2) impose ad valorem taxes to pay the principal of and  
10 interest on those securities and to provide a sinking fund; and

11 (3) pledge any portion of the revenues received in  
12 connection with the agreement to secure payment of any portion of  
13 the public securities issued to acquire, construct, or improve  
14 land, buildings, or other permanent improvements for use by an  
15 institution of higher education.

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

22 SECTION 6. This Act takes effect immediately if it receives  
23 a vote of two-thirds of all the members elected to each house, as  
24 provided by Section 39, Article III, Texas Constitution. If this  
25 Act does not receive the vote necessary for immediate effect, this  
26 Act takes effect September 1, 2009.