

By: Zaffirini

S.B. No. 2240

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the financing of educational facilities by higher
3 education authorities and the governance of certain higher
4 education authorities.

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

6 SECTION 1. Section 53.40, Education Code, is amended to
7 read as follows:

8 Sec. 53.40. APPROVAL OF BONDS; REGISTRATION;
9 NEGOTIABILITY. (a) Bonds issued under this chapter and the
10 record relating to their issuance shall be submitted to the
11 attorney general, and if the attorney general [~~he~~] finds that they
12 have been issued in accordance with this chapter and constitute
13 valid and binding obligations of the authority and are secured as
14 recited therein, the attorney general [~~he~~] shall approve them, and
15 they shall be registered by the comptroller of public accounts, who
16 shall certify the registration thereon. Thereafter they are
17 incontestable. The bonds shall be negotiable and shall contain the
18 following provision: "The holder hereof shall never have the right
19 to demand payment thereof out of money raised or to be raised by
20 taxation."

21 (b) When the bonds and the record relating to their issuance
22 are submitted to the attorney general, the authority shall deliver
23 notice of that action to the governor, the lieutenant governor, and
24 the Legislative Budget Board. The notice must include the amount of

1 the bonds to be issued and a description of the facilities to be
2 financed from the bond proceeds.

3 SECTION 2. Section 53A.02(6), Education Code, is amended to
4 read as follows:

5 (6) "Educational facility" means a classroom
6 building, laboratory, science building, recreational facility,
7 faculty or administrative office building, or other facility used
8 exclusively for the conduct of the educational and administrative
9 functions of an institution of higher education.

10 SECTION 3. Section 53A.14, Education Code, is amended by
11 amending Subsection (c) and adding Subsection (d) to read as
12 follows:

13 (c) ~~[No officer or employee of any such city is eligible for~~
14 ~~appointment as a director.]~~ Directors are not entitled to
15 compensation for services but are entitled to reimbursement for
16 expenses incurred in performing such service.

17 (d) The board shall meet regularly at the call of the
18 presiding officer of the board.

19 SECTION 4. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2009.