

Amend CSSB 1048 by adding an appropriately numbered SECTION to read as follows:

SECTION \_\_\_\_ .01. Subchapter B, Chapter 55, Education Code, is amended by adding Section 55.1782 to read as follows:

Sec. 55.1782. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL BONDS. (a) Consistent with the described need in Section 2267.002 for the "timely acquisition, design, construction, improvement, renovation, expansion, equipping, maintenance, operation, implementation, and installation of education facilities," the project described by this section is a qualifying project for purposes of Chapter 2267, Government Code. As provided by that chapter, the board of regents of The University of Texas System may elect to design, construct, and equip the project described by this section in accordance with that chapter.

(b) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including related infrastructure, for an engineering education and research center for The University of Texas at Austin, to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board, not to exceed the aggregate principal amount of \$100 million.

(c) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The University of Texas System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(d) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The University of Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

(e) General revenue may not be appropriated for the purpose

of reimbursing The University of Texas System for debt service on the bonds authorized by this section for any state fiscal year earlier than the state fiscal year beginning September 1, 2015.

(f) The board may issue the bonds authorized by this section only if the board by resolution finds that:

(1) the total amount of bonds to be issued for the project does not exceed one-third of the project's completed cost;

(2) the project has funding support equal to at least two-thirds of the project's completed cost from private philanthropic sources or from other funds available to the institution;

(3) the project is designated with the highest priority ranking by the board; and

(4) the project has been highly recommended by the Texas Higher Education Coordinating Board in the coordinating board's most recent review of proposed bonding projects.

(b) Section 61.0572(e), Education Code, is amended to read as follows:

(e) Approval of the board is not required to acquire real property that is financed by bonds issued under Section 55.17(e)(3) or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174, 55.1742, 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771, [~~or~~] 55.17721, or 55.1782, except that the board shall review all real property to be financed by bonds issued under those sections to determine whether the property meets the standards adopted by the board for cost, efficiency, and space use. If the property does not meet those standards, the board shall notify the governor, the lieutenant governor, the speaker of the house of representatives, and the Legislative Budget Board.

(c) Section 61.058(b), Education Code, is amended to read as follows:

(b) This section does not apply to construction, repair, or rehabilitation financed by bonds issued under Section 55.17(e)(3) or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174, 55.1742, 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771, [~~or~~] 55.17721, or 55.1782, except that the board shall review all construction, repair, or rehabilitation to be financed by bonds

issued under those sections to determine whether the construction, rehabilitation, or repair meets the standards adopted by board rule for cost, efficiency, and space use. If the construction, rehabilitation, or repair does not meet those standards, the board shall notify the governor, the lieutenant governor, the speaker of the house of representatives, and the Legislative Budget Board.