

By: Villarreal

H.B. No. 134

A BILL TO BE ENTITLED

AN ACT

relating to authorizing the issuance of revenue bonds or other obligations to fund capital projects at public institutions of higher education; making an appropriation.

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

SECTION 1. Subchapter B, Chapter 55, Education Code, is amended by adding Sections 55.1781, and 55.1782 to read as follows:

Sec. 55.1781. THE TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The Texas A&M University System may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects 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 for the following institutions and facilities not to exceed the following aggregate principal amounts for the projects specified as follows:

(1) Texas A&M University--San Antonio, \$70 million for a classroom/library building.

(b) 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 Texas A&M University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the

1 bonds for which the pledge is made, or bonds issued to refund those
2 bonds, are outstanding.

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

9 Sec. 55.1782. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL
10 BONDS. (a) In addition to the other authority granted by this
11 subchapter, the board of regents of The University of Texas System
12 may acquire, purchase, construct, improve, renovate, enlarge, or
13 equip facilities, including roads and related infrastructure, for
14 projects to be financed through the issuance of bonds in accordance
15 with this subchapter and in accordance with a systemwide revenue
16 financing program adopted by the board for the following
17 institutions not to exceed the following aggregate principal
18 amounts for the projects specified as follows:

19 (1) The University of Texas at San Antonio, \$92
20 million for an experimental science instructional building; and

21 (2) The University of Texas Health Science Center at
22 San Antonio, \$61 million for an academic learning and teacher
23 center and a diabetes center.

24 (b) The board may pledge irrevocably to the payment of bonds
25 authorized by this section all or any part of the revenue funds of
26 an institution, branch, or entity of The University of Texas
27 System, including student tuition charges. The amount of a pledge

1 made under this subsection may not be reduced or abrogated while the
2 bonds for which the pledge is made, or bonds issued to refund those
3 bonds, are outstanding.

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

10 SECTION 2. Section 61.0572(e), Education Code, is amended
11 to read as follows:

12 (e) Approval of the board is not required to acquire real
13 property that is financed by bonds issued under Section 55.17(e)(3)
14 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174,
15 55.1742, 55.1743, ~~55.1744~~, ~~55.1751-55.17592~~, or
16 55.1781-55.1782 except that the board shall review all real
17 property to be financed by bonds issued under those sections to
18 determine whether the property meets the standards adopted by the
19 board for cost, efficiency, and space use. If the property does not
20 meet those standards, the board shall notify the governor, the
21 lieutenant governor, the speaker of the house of representatives,
22 and the Legislative Budget Board.

23 SECTION 3. Section 61.058(b), Education Code, is amended to
24 read as follows:

25 (b) This section does not apply to construction, repair, or
26 rehabilitation financed by bonds issued under Section 55.17(e)(3)
27 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174, 55.1742,

1 55.1743, 55.1744, [~~or~~] 55.1751-55.17592, or 55.1781-55.1782 except
2 that the board shall review all construction, repair, or
3 rehabilitation to be financed by bonds issued under those sections
4 to determine whether the construction, rehabilitation, or repair
5 meets the standards adopted by board rule for cost, efficiency, and
6 space use. If the construction, rehabilitation, or repair does not
7 meet those standards, the board shall notify the governor, the
8 lieutenant governor, the speaker of the house of representatives,
9 and the Legislative Budget Board.

10 SECTION 4. This Act does not affect any authority or
11 restriction regarding the activities that a public institution of
12 higher education may conduct in connection with a facility financed
13 by bonds authorized by this Act.

14 SECTION 5. This Act takes effect immediately if it receives
15 a vote of two-thirds of all the members elected to each house, as
16 provided by Section 39, Article III, Texas Constitution. If this
17 Act does not receive the vote necessary for immediate effect, this
18 Act takes effect on the 91st day after the last day of the
19 legislative session.