

By: Whitmire, Hegar

S.B. No. 654

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the continuation and functions of the Texas Public
3 Finance Authority.

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

5 SECTION 1. Section 1232.072, Government Code, is amended to
6 read as follows:

7 Sec. 1232.072. SUNSET PROVISION. The Texas Public Finance
8 Authority is subject to Chapter 325 (Texas Sunset Act). Unless
9 continued in existence as provided by that chapter, the authority
10 is abolished and this chapter expires September 1, 2023 [~~2011~~].

11 SECTION 2. Subchapter B, Chapter 1232, Government Code, is
12 amended by adding Section 1232.073 to read as follows:

13 Sec. 1232.073. NEGOTIATED RULEMAKING AND ALTERNATIVE
14 DISPUTE RESOLUTION. (a) The board shall develop and implement a
15 policy to encourage the use of:

16 (1) negotiated rulemaking procedures under Chapter
17 2008 for the adoption of authority rules; and

18 (2) appropriate alternative dispute resolution
19 procedures under Chapter 2009 to assist in the resolution of
20 internal and external disputes under the authority's jurisdiction.

21 (b) The authority's procedures relating to alternative
22 dispute resolution must conform, to the extent possible, to any
23 model guidelines issued by the State Office of Administrative
24 Hearings for the use of alternative dispute resolution by state

1 agencies.

2 (c) The authority shall:

3 (1) coordinate the implementation of the policy
4 adopted under Subsection (a);

5 (2) provide training as needed to implement the
6 procedures for negotiated rulemaking or alternative dispute
7 resolution; and

8 (3) collect data concerning the effectiveness of those
9 procedures.

10 SECTION 3. Section 1232.101, Government Code, is amended to
11 read as follows:

12 Sec. 1232.101. ISSUANCE OF BONDS FOR CERTAIN STATE
13 AGENCIES. (a) With respect to all bonds authorized to be issued by
14 or on behalf of the adjutant general's department, Parks and
15 Wildlife Department, Texas Agricultural Finance Authority, Texas
16 Low-Level Radioactive Waste Disposal Authority, Texas State
17 Technical College System [~~Stephen F. Austin State University~~],
18 Midwestern State University, and Texas Southern University, the
19 authority has the exclusive authority to act on behalf of those
20 entities in issuing bonds on their behalf. In connection with
21 those issuances and with the issuance of refunding bonds on behalf
22 of those entities, the authority is subject to all rights, duties,
23 and conditions surrounding issuance previously applicable to the
24 issuing entity under the statute authorizing the issuance. A
25 reference in an authorizing statute to the entity on whose behalf
26 the bonds are being issued applies equally to the authority in its
27 capacity as issuer on behalf of the entity.

1 (b) Except as provided by Subsection (a), the authority may,
2 under an agreement entered into with a general academic teaching
3 institution as defined by Section 61.003, Education Code, act on
4 behalf of a general academic teaching institution in issuing bonds
5 on the institution's behalf. In connection with those issuances
6 and with the issuance of refunding bonds on behalf of those
7 institutions, the authority is subject to all rights, duties, and
8 conditions surrounding issuance previously applicable to the
9 issuing institution under the statute authorizing the issuance. A
10 reference in an authorizing statute to the institution on whose
11 behalf the bonds are being issued applies equally to the authority
12 in its capacity as issuer on behalf of the institution. An
13 agreement under this subsection may provide for reimbursement to
14 the authority for costs incurred in issuing bonds under the
15 agreement.

16 SECTION 4. Subchapter C, Chapter 1232, Government Code, is
17 amended by adding Section 1232.1221 to read as follows:

18 Sec. 1232.1221. COMMENCEMENT OF CERTAIN MULTIYEAR
19 CANCER-RELATED PROJECTS. A multiyear project for which funds are
20 granted by the Cancer Prevention and Research Institute of Texas
21 Oversight Committee as authorized by Section 102.257, Health and
22 Safety Code, may begin after:

23 (1) the authority has certified that obligations in an
24 amount sufficient to pay the money needed to fund the project have
25 been authorized for issuance by the authority and approved by the
26 Bond Review Board; or

27 (2) the proceeds have been deposited into the state

1 treasury and:

2 (A) the comptroller has certified that the
3 proceeds are available;

4 (B) the reserve funds and capitalized interest,
5 as certified by the authority as reasonably required, have been
6 paid; and

7 (C) the costs of issuing the obligations, as
8 certified by the authority, have been paid.

9 SECTION 5. Section 55.13(c), Education Code, is amended to
10 read as follows:

11 (c) Notwithstanding any other provision of this section,
12 with respect to all bonds authorized to be issued by Midwestern
13 State University, Texas State Technical College System [~~Stephen F.~~
14 ~~Austin State University~~], or Texas Southern University, the Texas
15 Public Finance Authority shall exercise the authority of a board to
16 issue bonds on behalf of those institutions, in the manner provided
17 by this subchapter, including the authority to issue refunding
18 bonds under Section 55.19. In connection with the issuance of bonds
19 under this chapter, the Texas Public Finance Authority has all the
20 rights and duties granted or assigned to and is subject to the same
21 conditions as a board under this chapter.

22 SECTION 6. Section 102.257, Health and Safety Code, is
23 amended to read as follows:

24 Sec. 102.257. MULTIYEAR PROJECTS. The oversight committee
25 may grant funds for a multiyear project. The oversight committee
26 must specify the total amount of [~~All the~~] money approved [~~needed~~]
27 to fund the [~~a~~] multiyear project. The total amount specified is

1 considered for purposes of this subchapter to have been [~~must be~~
2 awarded in the state fiscal year that the project is approved by the
3 research and prevention programs committee. The institute shall
4 distribute only the money that will be expended during that fiscal
5 year. The remaining money shall be [~~maintained in an escrow account~~
6 ~~to be~~] distributed by the institute as the money is needed in each
7 subsequent fiscal year [~~years of the project~~].

8 SECTION 7. (a) The changes in law made by this Act apply
9 only to a grant of funds for a multiyear project by the Cancer
10 Prevention and Research Institute of Texas Oversight Committee as
11 authorized by Section 102.257, Health and Safety Code, as amended
12 by this Act, made on or after September 1, 2011. A grant of funds
13 for a multiyear project made before that date is governed by the law
14 in effect on the date the grant was made, and the former law is
15 continued in effect for that purpose.

16 (b) The changes in law made by this Act to Section 55.13,
17 Education Code, and Section 1232.101, Government Code, apply only
18 to bonds authorized after the effective date of this Act. Bonds
19 authorized before that date are governed by the law in effect on the
20 date the bonds were authorized, and the former law is continued in
21 effect for that purpose.

22 SECTION 8. This Act takes effect September 1, 2011.