

1-1 By: West S.B. No. 1799
1-2 (In the Senate - Filed March 11, 2011; March 23, 2011, read
1-3 first time and referred to Committee on Higher Education;
1-4 April 18, 2011, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 7, Nays 0; April 18, 2011,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1799 By: West

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the student loan program administered by the Texas
1-11 Higher Education Coordinating Board; authorizing the issuance of
1-12 bonds.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Section 52.01, Education Code, is amended to
1-15 read as follows:

1-16 Sec. 52.01. ADMINISTRATION. The Texas Higher Education
1-17 Coordinating Board, or its successors, shall administer the student
1-18 loan program authorized by this chapter pursuant to Sections 50b-4,
1-19 50b-5, ~~and~~ 50b-6, and 50b-7, Article III, Texas Constitution, and
1-20 any former provision of the Texas Constitution authorizing bonds to
1-21 finance educational loans to students. Personnel and other
1-22 expenses required to properly administer this chapter shall be
1-23 funded by:

1-24 (1) the general appropriations acts; or
1-25 (2) any other source of revenue received by the board
1-26 in connection with the operation of the student loan program.

1-27 SECTION 2. Subdivision (4), Section 52.501, Education Code,
1-28 is amended to read as follows:

1-29 (4) "Bond" means a general obligation bond issued by
1-30 the board under Section 50b-4, 50b-5, ~~or~~ 50b-6, or 50b-7, Article
1-31 III, Texas Constitution, or any former provision of the Texas
1-32 Constitution authorizing bonds to finance educational loans to
1-33 students.

1-34 SECTION 3. Subdivision (2), Section 52.81, Education Code,
1-35 is amended to read as follows:

1-36 (2) "Bond" means a general obligation bond issued by
1-37 the board under former Section 50b-3 or Section 50b-4, 50b-5, ~~or~~
1-38 50b-6, or 50b-7, Article III, Texas Constitution.

1-39 SECTION 4. Subsections (a) and (d), Section 52.82,
1-40 Education Code, are amended to read as follows:

1-41 (a) The board may by resolution authorize the issuance of
1-42 general obligation bonds. The principal amount of outstanding
1-43 bonds issued under this section must at all times be equal to or
1-44 less than the amount provided by Section 50b-7, Article III, Texas
1-45 Constitution [in total aggregate amounts not to exceed:

1-46 ~~[(1) \$300 million under former Section 50b-3, Article~~
1-47 ~~III, Texas Constitution,~~

1-48 ~~[(2) \$300 million under Section 50b-4, Article III,~~
1-49 ~~Texas Constitution,~~

1-50 ~~[(3) \$400 million under Section 50b-5, Article III,~~
1-51 ~~Texas Constitution, and~~

1-52 ~~[(4) \$500 million under Section 50b-6, Article III,~~
1-53 ~~Texas Constitution].~~

1-54 (d) The total amount of bonds issued by the board in a state
1-55 fiscal year may not exceed \$350 ~~[\$125]~~ million.

1-56 SECTION 5. Section 52.87, Education Code, is amended to
1-57 read as follows:

1-58 Sec. 52.87. MANDAMUS. The performance of official duties
1-59 prescribed by this subchapter and by former Section 50b-3 and
1-60 Sections 50b-4, 50b-5, ~~and~~ 50b-6, and 50b-7, Article III, Texas
1-61 Constitution, in reference to the payment of the bonds, may be
1-62 enforced in a court of competent jurisdiction by mandamus or other
1-63 appropriate proceedings.

C.S.S.B. No. 1799

2-1 SECTION 6. This Act takes effect on the date on which the
2-2 constitutional amendment proposed by the 82nd Legislature, Regular
2-3 Session, 2011, providing for the issuance of general obligation
2-4 bonds to finance educational loans to students takes effect. If
2-5 that amendment is not approved by the voters, this Act has no
2-6 effect.

* * * * *