

By: Zaffirini, Seliger
Eltife

S.B. No. 44

A BILL TO BE ENTITLED

AN ACT

1
2 relating to authorizing the issuance of revenue bonds to fund
3 capital projects at public institutions of higher education; making
4 an appropriation.

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

6 SECTION 1. Subchapter B, Chapter 55, Education Code, is
7 amended by adding Sections 55.1781, 55.1782, 55.1783, 55.1784,
8 55.1785, 55.1786, 55.1787, 55.1788, 55.1789, 55.17891, and
9 55.17892 to read as follows:

10 Sec. 55.1781. THE TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL
11 BONDS. (a) In addition to the other authority granted by this
12 subchapter, the board of regents of The Texas A&M University System
13 may acquire, purchase, construct, improve, renovate, enlarge, or
14 equip property and facilities, including roads and related
15 infrastructure, for projects to be financed through the issuance of
16 bonds in accordance with this subchapter and in accordance with a
17 systemwide revenue financing program adopted by the board for the
18 following institutions, not to exceed the following aggregate
19 principal amounts for the projects specified, as follows:

20 (1) Texas A&M University--Commerce, \$40 million for a
21 library and technology center;

22 (2) Texas A&M University--Corpus Christi, \$65,625,000
23 for a life sciences research building;

- 1 (3) Texas A&M University--Kingsville, \$33,600,000 for
2 music building expansion and renovation of Jones Auditorium;
- 3 (4) Texas A&M University--Texarkana, \$40,250,000 for
4 an academic and laboratory learning center;
- 5 (5) West Texas A&M University, \$10,500,000 for the
6 Amarillo Center;
- 7 (6) The Texas A&M University System Health Science
8 Center:
- 9 (A) \$7,875,000 for facilities in Round Rock,
10 Texas;
- 11 (B) \$36 million for a research building in
12 Temple, Texas; and
- 13 (C) \$80 million for an education center and
14 research building in Dallas, Texas;
- 15 (7) Texas A&M International University, \$55,125,000
16 for library renovation, additional instructional spaces, a science
17 center addition, and a support services building;
- 18 (8) Prairie View A&M University, \$12,800,000 for
19 critical deferred maintenance;
- 20 (9) Tarleton State University:
- 21 (A) \$52 million for the Gates Agriculture and
22 Business Building; and
- 23 (B) \$12 million for the Midlothian Higher
24 Education Center;
- 25 (10) Texas A&M University, \$94 million for a
26 biocontainment research facility and music building;
- 27 (11) Texas A&M University at Galveston, \$40,250,000

1 for an academic building;

2 (12) Texas A&M University--Central Texas, \$40 million
3 for a science, health science, and wellness building; and

4 (13) Texas A&M University--San Antonio, \$79 million
5 for a science and technology building and central and physical
6 plant.

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

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

20 Sec. 55.1782. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL
21 BONDS. (a) In addition to the other authority granted by this
22 subchapter, the board of regents of The University of Texas System
23 may acquire, purchase, construct, improve, renovate, enlarge, or
24 equip property and facilities, including roads and related
25 infrastructure, for projects to be financed through the issuance of
26 bonds in accordance with this subchapter and in accordance with a
27 systemwide revenue financing program adopted by the board for the

1 following institutions, not to exceed the following aggregate
2 principal amounts for the projects specified, as follows:

3 (1) The University of Texas at Austin, \$95 million for
4 an engineering education and research center;

5 (2) The University of Texas at Brownsville or its
6 successor university, \$100 million for a new campus in Brownsville;

7 (3) The University of Texas--Pan American,
8 \$82,400,000 for Science Building II;

9 (4) The University of Texas Southwestern Medical
10 Center at Dallas, \$60 million for north campus Phase VI vivarium and
11 research facilities;

12 (5) The University of Texas Health Science Center at
13 San Antonio, \$11,200,000 for a South Texas diabetes institute and
14 for an enhanced performance laboratory of the Barshop Institute for
15 Longevity and Aging Studies;

16 (6) The University of Texas M. D. Anderson Cancer
17 Center, \$50 million for a personalized cancer care building;

18 (7) The University of Texas Medical Branch at
19 Galveston, \$40 million for a health education center;

20 (8) The University of Texas at Arlington, \$64,300,000
21 for renovation of and addition to a life science building;

22 (9) The University of Texas at Dallas, \$76 million for
23 an engineering building;

24 (10) The University of Texas at El Paso, \$88 million
25 for an interdisciplinary research facility;

26 (11) The University of Texas at San Antonio,
27 \$74,200,000 for an experimental science instructional building;

1 (12) The University of Texas at Tyler, \$38,800,000 for
2 a STEM and business complex and renovation of the business
3 building;

4 (13) The University of Texas Health Science Center at
5 Houston, \$100 million for the renovation and modernization of
6 educational and research facilities;

7 (14) The University of Texas Health Science Center at
8 Tyler, \$4,804,000 for the Riter Center Primary Care Training Center
9 renovation; and

10 (15) The University of Texas of the Permian Basin, \$48
11 million for an engineering building.

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

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

25 (d) The bonds for the project specified by Subsection (a)(2)
26 may be issued only if the 83rd Legislature enacts legislation that
27 becomes law creating or authorizing creation of a new component

1 university of The University of Texas System that incorporates the
2 facilities and programs of The University of Texas at Brownsville.

3 Sec. 55.1783. UNIVERSITY OF HOUSTON SYSTEM; ADDITIONAL
4 BONDS. (a) In addition to the other authority granted by this
5 subchapter, the board of regents of the University of Houston
6 System may acquire, purchase, construct, improve, renovate,
7 enlarge, or equip property and facilities, including roads and
8 related infrastructure, for projects to be financed through the
9 issuance of bonds in accordance with this subchapter and in
10 accordance with a systemwide revenue financing program adopted by
11 the board for the following institutions, not to exceed the
12 following aggregate principal amounts for the projects specified,
13 as follows:

14 (1) the University of Houston, \$70 million for a
15 pharmacy and biomedical sciences building;

16 (2) the University of Houston--Clear Lake,
17 \$73,500,000 for a science and academic support building;

18 (3) the University of Houston--Downtown, \$40,687,500
19 for a science and technology building; and

20 (4) the University of Houston--Victoria, \$75 million
21 for campus expansion.

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

1 bonds, are outstanding.

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

8 Sec. 55.1784. TEXAS STATE UNIVERSITY SYSTEM; ADDITIONAL
9 BONDS. (a) In addition to the other authority granted by this
10 subchapter, the board of regents of the Texas State University
11 System may acquire, purchase, construct, improve, renovate,
12 enlarge, or equip property and facilities, including roads and
13 related infrastructure, for projects to be financed through the
14 issuance of bonds in accordance with this subchapter and in
15 accordance with a systemwide revenue financing program adopted by
16 the board for the following institutions, not to exceed the
17 aggregate principal amounts for the projects specified, as follows:

18 (1) Lamar University, \$32 million for a science
19 building;

20 (2) Lamar State College--Orange, \$14,222,400 for a
21 multipurpose education building;

22 (3) Lamar State College--Port Arthur, \$2,180,000 for
23 an addition to the allied health building;

24 (4) Lamar Institute of Technology, \$12 million for
25 renovation and replacement of the technical arts buildings;

26 (5) Texas State University--San Marcos:

27 (A) \$49 million for a medical education and

1 research building in Round Rock, Texas; and

2 (B) \$83 million for an engineering and science
3 building;

4 (6) Sam Houston State University, \$34,693,750 for a
5 biology, nursing, and allied health building; and

6 (7) Sul Ross State University, \$3,400,000 for
7 renovation and modernization of educational and related facilities
8 and infrastructure.

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

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

22 Sec. 55.1785. UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL
23 BONDS. (a) In addition to the other authority granted by this
24 subchapter, the board of regents of the University of North Texas
25 System may acquire, purchase, construct, improve, renovate,
26 enlarge, or equip property and facilities, including roads and
27 related infrastructure, for projects to be financed through the

1 issuance of bonds in accordance with this subchapter and in
2 accordance with a systemwide revenue financing program adopted by
3 the board for the following institutions, not to exceed the
4 following aggregate principal amounts for the projects specified,
5 as follows:

6 (1) the University of North Texas System, \$56 million
7 for college of law building renovations;

8 (2) the University of North Texas, \$73 million for a
9 college of visual arts and design facility;

10 (3) the University of North Texas at Dallas,
11 \$61,250,000 for a library and student success center; and

12 (4) the University of North Texas Health Science
13 Center at Fort Worth, \$66,600,000 for an interdisciplinary research
14 building.

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

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

1 Sec. 55.1786. TEXAS WOMAN'S UNIVERSITY. (a) In addition
2 to the other authority granted by this subchapter, the board of
3 regents of Texas Woman's University may acquire, purchase,
4 construct, improve, renovate, enlarge, or equip property and
5 facilities, including roads and related infrastructure, for a
6 science and technology learning center, to be financed through the
7 issuance of bonds in accordance with this subchapter, not to exceed
8 the following aggregate principal amount of \$37,996,928.

9 (b) The board may pledge irrevocably to the payment of bonds
10 authorized by this section all or any part of the revenue funds of
11 Texas Woman's University, including student tuition charges. The
12 amount of a pledge made under this subsection may not be reduced or
13 abrogated while the bonds for which the pledge is made, or bonds
14 issued to refund those bonds, are outstanding.

15 Sec. 55.1787. MIDWESTERN STATE UNIVERSITY; ADDITIONAL
16 BONDS. (a) In addition to the other authority granted by this
17 subchapter, the board of regents of Midwestern State University may
18 acquire, purchase, construct, improve, renovate, enlarge, or equip
19 property and facilities, including roads and related
20 infrastructure, for a library, College of Education, and
21 information technology facilities at Midwestern State University,
22 to be financed through the issuance of bonds in accordance with this
23 subchapter, not to exceed the aggregate principal amount of
24 \$23,992,000.

25 (b) The board may pledge irrevocably to the payment of bonds
26 authorized by this section all or any part of the revenue funds of
27 Midwestern State University, including student tuition charges.

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

4 Sec. 55.1788. STEPHEN F. AUSTIN STATE UNIVERSITY. (a) In
5 addition to the other authority granted by this subchapter, the
6 board of regents of Stephen F. Austin State University may acquire,
7 purchase, construct, improve, renovate, enlarge, or equip property
8 and facilities, including roads and related infrastructure, for a
9 science, technology, engineering, and mathematics research
10 building at Stephen F. Austin State University, to be financed
11 through the issuance of bonds in accordance with this subchapter,
12 not to exceed the aggregate principal amount of \$40 million.

13 (b) The board may pledge irrevocably to the payment of bonds
14 authorized by this section all or any part of the revenue funds of
15 Stephen F. Austin State University, including student tuition
16 charges. The amount of a pledge made under this subsection may not
17 be reduced or abrogated while the bonds for which the pledge is
18 made, or bonds issued to refund those bonds, are outstanding.

19 Sec. 55.1789. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL
20 BONDS. (a) In addition to the other authority granted by this
21 subchapter, the board of regents of the Texas Tech University
22 System may acquire, purchase, construct, improve, renovate,
23 enlarge, or equip property and facilities, including roads and
24 related infrastructure, for projects to be financed through the
25 issuance of bonds in accordance with this subchapter and in
26 accordance with a systemwide revenue financing program adopted by
27 the board for the following institutions, not to exceed the

1 following aggregate principal amounts for the projects specified,
2 as follows:

3 (1) Texas Tech University Health Sciences Center:

4 (A) \$39,150,000 for Lubbock education, research,
5 and technology facilities;

6 (B) \$86,130,000 for the El Paso Medical Science
7 Building II; and

8 (C) \$16,443,000 for the Permian Basin academic
9 facility;

10 (2) Texas Tech University, \$76,342,500 for a research
11 building; and

12 (3) Angelo State University, \$16,199,400 for a health
13 and human services building.

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

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

27 (d) The bonds for the project specified by Subsection

1 (a)(1)(B) may be issued only if the 83rd Legislature enacts
2 legislation that becomes law authorizing creation of a health
3 sciences center in El Paso as a component of the Texas Tech
4 University System.

5 Sec. 55.17891. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL
6 BONDS. (a) In addition to the other authority granted by this
7 subchapter, the board of regents of Texas Southern University may
8 acquire, purchase, construct, improve, renovate, enlarge, or equip
9 property and facilities, including roads and related
10 infrastructure, for the Robert J. Terry Library at Texas Southern
11 University, to be financed through the issuance of bonds in
12 accordance with this subchapter, not to exceed the aggregate
13 principal amount of \$52,814,129.

14 (b) The board may pledge irrevocably to the payment of bonds
15 authorized by this section all or any part of the revenue funds of
16 Texas Southern University, including student tuition charges. The
17 amount of a pledge made under this subsection may not be reduced or
18 abrogated while the bonds for which the pledge is made, or bonds
19 issued to refund those bonds, are outstanding.

20 Sec. 55.17892. TEXAS STATE TECHNICAL COLLEGE SYSTEM.
21 (a) In addition to the other authority granted by this subchapter,
22 the board of regents of the Texas State Technical College System may
23 acquire, purchase, construct, improve, renovate, enlarge, or equip
24 property and facilities, including roads and related
25 infrastructure, for projects to be financed through the issuance of
26 bonds in accordance with this subchapter for the following
27 institutions, not to exceed the following aggregate principal

1 amounts for the projects specified, as follows:

2 (1) Texas State Technical College System, \$35 million
3 for the Ellis County Extension Center;

4 (2) Texas State Technical College--Harlingen,
5 \$2,400,000 for Phase II of the Engineering Technology Center
6 renovation;

7 (3) Texas State Technical College--Marshall,
8 \$1,200,000 for renovation of aviation technology facilities; and

9 (4) Texas State Technical College--Waco, \$5 million
10 for water system infrastructure replacement.

11 (b) The board may pledge irrevocably to the payment of those
12 bonds all or any part of the revenue funds of an institution,
13 branch, or entity of the Texas State Technical College System,
14 including student tuition charges. The amount of a pledge made
15 under this subsection may not be reduced or abrogated while the
16 bonds for which the pledge is made, or bonds issued to refund those
17 bonds, are outstanding.

18 (c) If sufficient funds are not available to the board to
19 meet its obligations under this section, the board may transfer
20 funds among institutions, branches, and entities of the Texas State
21 Technical College System to ensure the most equitable and efficient
22 allocation of available resources for each institution, branch, or
23 entity to carry out its duties and purposes.

24 SECTION 2. Subsection (e), Section 61.0572, Education Code,
25 is amended to read as follows:

26 (e) Approval of the board is not required to acquire real
27 property that is financed by bonds issued under Section 55.17(e)(3)

1 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174,
2 55.1742, 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771,
3 [~~or~~] 55.17721, or 55.1781-55.17892, except that the board shall
4 review all real property to be financed by bonds issued under those
5 sections to determine whether the property meets the standards
6 adopted by the board for cost, efficiency, and space use. If the
7 property does not meet those standards, the board shall notify the
8 governor, the lieutenant governor, the speaker of the house of
9 representatives, and the Legislative Budget Board.

10 SECTION 3. Subsection (b), Section 61.058, Education Code,
11 is amended to read as follows:

12 (b) This section does not apply to construction, repair, or
13 rehabilitation financed by bonds issued under Section 55.17(e)(3)
14 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174, 55.1742,
15 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771, [~~or~~]
16 55.17721, or 55.1781-55.17892, except that the board shall review
17 all construction, repair, or rehabilitation to be financed by bonds
18 issued under those sections to determine whether the construction,
19 rehabilitation, or repair meets the standards adopted by board rule
20 for cost, efficiency, and space use. If the construction,
21 rehabilitation, or repair does not meet those standards, the board
22 shall notify the governor, the lieutenant governor, the speaker of
23 the house of representatives, and the Legislative Budget Board.

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

1 SECTION 5. TUITION REVENUE BOND DEBT SERVICE.

2 (a) \$175,000,000, is appropriated out of the general revenue fund
3 to the Higher Education Coordinating Board for the fiscal year
4 ending August 31, 2015 for distribution to university systems for
5 debt service on tuition revenue bonds for their component
6 institutions.

7 (b) The Higher Education Coordinating Board shall present a
8 plan for allocation of the appropriations made in subsection (a) to
9 the Legislative Budget Board.

10 (c) Appropriations made in subsection (a) may not be
11 expended without the prior written approval of the Legislative
12 Budget Board.

13 (d) The Higher Education Coordinating Board may not expend
14 appropriations made in subsection (a) for administrative expenses.

15 SECTION 6. This Act takes effect immediately if it receives
16 a vote of two-thirds of all the members elected to each house, as
17 provided by Section 39, Article III, Texas Constitution. If this
18 Act does not receive the vote necessary for immediate effect, this
19 Act takes effect September 1, 2013.