

By: Zaffirini, et al.

S.B. No. 40

A BILL TO BE ENTITLED

AN ACT

relating to authorizing the issuance of revenue bonds to fund capital projects at public institutions of higher education.

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, 55.1782, 55.1783, 55.1784, 55.1785, 55.1786, 55.1787, 55.1788, 55.1789, 55.17891, and 55.17892 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 property and 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, not to exceed the following aggregate principal amounts for the projects specified, as follows:

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

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

(3) Texas A&M University--Kingsville, \$33,600,000 for music building expansion and renovation of Jones Auditorium;

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

1 for a science, health science, and wellness building; and

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

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

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

18 Sec. 55.1782. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL  
19 BONDS. (a) In addition to the other authority granted by this  
20 subchapter, the board of regents of The University of Texas System  
21 may acquire, purchase, construct, improve, renovate, enlarge, or  
22 equip property and facilities, including roads and related  
23 infrastructure, for projects to be financed through the issuance of  
24 bonds in accordance with this subchapter and in accordance with a  
25 systemwide revenue financing program adopted by the board for the  
26 following institutions, not to exceed the following aggregate  
27 principal amounts for the projects specified, as follows:

- 1           (1) The University of Texas at Austin, \$95 million for  
2 an engineering education and research center;
- 3           (2) The University of Texas at Brownsville or its  
4 successor university, \$100 million for a new campus in Brownsville;
- 5           (3) The University of Texas--Pan American,  
6 \$82,400,000 for Science Building II;
- 7           (4) The University of Texas Southwestern Medical  
8 Center at Dallas, \$60 million for north campus Phase VI vivarium and  
9 research facilities;
- 10          (5) The University of Texas Health Science Center at  
11 San Antonio, \$11,200,000 for a South Texas diabetes institute and  
12 for an enhanced performance laboratory of the Barshop Institute for  
13 Longevity and Aging Studies;
- 14          (6) The University of Texas M. D. Anderson Cancer  
15 Center, \$50 million for a personalized cancer care building;
- 16          (7) The University of Texas Medical Branch at  
17 Galveston, \$40 million for a health education center;
- 18          (8) The University of Texas at Arlington, \$64,300,000  
19 for renovation of and addition to a life science building;
- 20          (9) The University of Texas at Dallas, \$76 million for  
21 an engineering building;
- 22          (10) The University of Texas at El Paso, \$88 million  
23 for an interdisciplinary research facility;
- 24          (11) The University of Texas at San Antonio,  
25 \$74,200,000 for an experimental science instructional building;
- 26          (12) The University of Texas at Tyler, \$38,800,000 for  
27 a STEM and business complex and renovation of the business

1 building;

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

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

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

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

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

23 (d) The bonds for the project specified by Subsection (a)(2)  
24 may be issued only if the 83rd Legislature enacts legislation that  
25 becomes law creating or authorizing creation of a new component  
26 university of The University of Texas System that incorporates the  
27 facilities and programs of The University of Texas at Brownsville.

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

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

14               (2) the University of Houston--Clear Lake,  
15 \$73,500,000 for a science and academic support building;

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

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

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

27       (c) If sufficient funds are not available to the board to

1 meet its obligations under this section, the board may transfer  
2 funds among institutions, branches, and entities of the University  
3 of Houston System to ensure the most equitable and efficient  
4 allocation of available resources for each institution, branch, or  
5 entity to carry out its duties and purposes.

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

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

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

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

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

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

26 (A) \$49 million for a medical education and  
27 research building in Round Rock, Texas; and

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

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

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

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

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

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



1 accordance with a systemwide revenue financing program adopted by  
2 the board for the following institutions, not to exceed the  
3 following aggregate principal amounts for the projects specified,  
4 as follows:

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

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

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

11 (4) the University of North Texas Health Science  
12 Center at Fort Worth, \$66,600,000 for an interdisciplinary research  
13 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 University of North Texas  
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 University  
24 of North Texas 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 Sec. 55.1786. TEXAS WOMAN'S UNIVERSITY. (a) In addition

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

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

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

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 Midwestern State University, including student tuition charges.  
27 The amount of a pledge made under this subsection may not be reduced

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

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

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 Stephen F. Austin State University, including student tuition  
15 charges. The amount of a pledge made under this subsection may not  
16 be reduced or abrogated while the bonds for which the pledge is  
17 made, or bonds issued to refund those bonds, are outstanding.

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

1 as follows:

2 (1) Texas Tech University Health Sciences Center:

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

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

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

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

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

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 an institution, branch, or entity of the Texas Tech University  
16 System, including student tuition charges. The amount of a pledge  
17 made under this subsection may not be reduced or abrogated while the  
18 bonds for which the pledge is made, or bonds issued to refund those  
19 bonds, are outstanding.

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

26 (d) The bonds for the project specified by Subsection  
27 (a)(1)(B) may be issued only if the 83rd Legislature enacts

1 legislation that becomes law authorizing creation of a health  
2 sciences center in El Paso as a component of the Texas Tech  
3 University System.

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

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 Texas Southern University, including student tuition charges. The  
16 amount of a pledge made under this subsection may not be reduced or  
17 abrogated while the bonds for which the pledge is made, or bonds  
18 issued to refund those bonds, are outstanding.

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

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

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

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

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

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

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

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

25          (e) Approval of the board is not required to acquire real  
26 property that is financed by bonds issued under Section 55.17(e)(3)  
27 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174,

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

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

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

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

27 SECTION 5. This Act takes effect immediately if it receives

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1 a vote of two-thirds of all the members elected to each house, as  
2 provided by Section 39, Article III, Texas Constitution. If this  
3 Act does not receive the vote necessary for immediate effect, this  
4 Act takes effect September 1, 2013.