

By: Zaffirini, et al.

S.B. No. 16

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, \$45 million for a library and technology center;

(2) Texas A&M University--Corpus Christi, \$75 million for a life sciences research building;

(3) Texas A&M University--Kingsville, \$42 million for music building expansion and renovation of Jones Auditorium;

1 (4) Texas A&M University--Texarkana, \$46 million for
2 an academic and laboratory learning center;

3 (5) West Texas A&M University, \$12 million for the
4 Amarillo Center;

5 (6) The Texas A&M University System Health Science
6 Center:

7 (A) \$9 million for facilities in Round Rock,
8 Texas;

9 (B) \$45 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; and

13 (7) Texas A&M International University:

14 (A) \$52 million for library renovation,
15 additional instructional spaces, and a support services building;
16 and

17 (B) \$11 million for an addition to the science
18 center.

19 (b) If the board of regents of The Texas A&M University
20 System provides funds from additional sources available to the
21 board, including the proceeds of bonds issued under Section 55.13,
22 but not including the proceeds of bonds issued under this section,
23 in an amount equal to one-half of the amount specified for each
24 project authorized below, the board may, in addition to the other
25 authority granted by this subchapter, acquire, purchase,
26 construct, improve, renovate, enlarge, or equip property and
27 facilities, including roads and related infrastructure, for

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

6 (1) Prairie View A&M University, \$5,333,333 for
7 critical deferred maintenance;

8 (2) Tarleton State University, \$43,333,333 for the
9 Gates Agriculture and Business Building;

10 (3) Texas A&M University, \$53,333,333 for a
11 biocontainment research facility;

12 (4) Texas A&M University at Galveston, \$30,666,667 for
13 an academic building;

14 (5) Texas A&M University--Central Texas, \$33,333,333
15 for a science, health science, and wellness building; and

16 (6) Texas A&M University--San Antonio:

17 (A) \$46,666,667 for a science and technology
18 building; and

19 (B) \$11 million for a central and physical plant
20 building.

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

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

7 (e) The board may not issue bonds under Subsection (a) until
8 the board makes the pledge of additional funds required to issue
9 bonds under Subsection (b).

10 Sec. 55.1782. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL
11 BONDS. (a) In addition to the other authority granted by this
12 subchapter, the board of regents of The University of Texas 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) The University of Texas at Austin, \$95 million for
21 an engineering education and research center;

22 (2) The University of Texas at Brownsville, \$60
23 million for a new campus;

24 (3) The University of Texas--Pan American, \$98 million
25 for Science Building II;

26 (4) The University of Texas Southwestern Medical
27 Center at Dallas, \$60 million for north campus Phase VI vivarium and

1 research facilities;

2 (5) The University of Texas Health Science Center at
3 San Antonio, \$6 million for a South Texas diabetes institute;

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

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

8 (b) If the board of regents of The University of Texas
9 System provides funds from additional sources available to the
10 board, including the proceeds of bonds issued under Section 55.13,
11 but not including the proceeds of bonds issued under this section,
12 in an amount equal to the amount specified for each project
13 authorized below, the board may, in addition to the other authority
14 granted by this subchapter, acquire, purchase, construct, improve,
15 renovate, enlarge, or equip property and facilities, including
16 roads and related infrastructure, for projects to be financed
17 through the issuance of bonds in accordance with this subchapter
18 and in accordance with a systemwide revenue financing program
19 adopted by the board for the following institutions, not to exceed
20 the following aggregate principal amounts for the projects
21 specified, as follows:

22 (1) The University of Texas at Arlington, \$32,150,000
23 for renovation of and addition to a life science building;

24 (2) The University of Texas at Dallas, \$47,500,000 for
25 an engineering building;

26 (3) The University of Texas at El Paso, \$40 million for
27 an interdisciplinary research facility;

1 (4) The University of Texas at San Antonio,
2 \$46,375,000 for an experimental science instructional building;

3 (5) The University of Texas at Tyler, \$24,250,000 for
4 a STEM and business complex and renovation of the business
5 building;

6 (6) The University of Texas Health Science Center at
7 Houston, \$58,450,000 for the renovation and modernization of
8 educational and research facilities;

9 (7) The University of Texas Health Science Center at
10 San Antonio, \$4 million for an enhanced performance laboratory for
11 the Barshop Institute for Longevity and Aging Studies;

12 (8) The University of Texas Health Science Center at
13 Tyler, \$2,502,500 for the Riter Center Primary Care Training Center
14 renovation; and

15 (9) The University of Texas of the Permian Basin, \$30
16 million for an engineering building.

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

24 (d) If sufficient funds are not available to the board to
25 meet its obligations under this section, the board may transfer
26 funds among institutions, branches, and entities of The University
27 of Texas System to ensure the most equitable and efficient

1 allocation of available resources for each institution, branch, or
2 entity to carry out its duties and purposes.

3 (e) The board may not issue bonds under Subsection (a) until
4 the board makes the pledge of additional funds required to issue
5 bonds under Subsection (b).

6 Sec. 55.1783. UNIVERSITY OF HOUSTON SYSTEM; ADDITIONAL
7 BONDS. (a) In addition to the other authority granted by this
8 subchapter, the board of regents of the University of Houston
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) the University of Houston, \$70 million for a
18 pharmacy and biomedical sciences building;

19 (2) the University of Houston--Clear Lake,
20 \$75,600,000 for a science and academic support building;

21 (3) the University of Houston--Downtown, \$41,429,000
22 for a science and technology building; and

23 (4) the University of Houston--Victoria, \$70 million
24 for campus expansion.

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 an institution, branch, or entity of the University of Houston

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

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

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

22 (1) Lamar University, \$40 million for a science
23 building;

24 (2) Lamar State College--Orange, \$21 million for a
25 multipurpose education building;

26 (3) Lamar State College--Port Arthur, \$2,500,000 for
27 an addition to the allied health building;

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

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

4 (A) \$56 million for a joint project with The
5 Texas A&M University System Health Science Center for a medical
6 education and research building in Round Rock, Texas; and

7 (B) \$83 million for an engineering and science
8 building; and

9 (6) Sam Houston State University, \$9,800,000 for an
10 agriculture engineering technology building.

11 (b) The board may pledge irrevocably to the payment of bonds
12 authorized by this section all or any part of the revenue funds of
13 an institution, branch, or entity of the Texas State University
14 System, including student tuition charges. The amount of a pledge
15 made 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 University 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 Sec. 55.1785. UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL
25 BONDS. (a) In addition to the other authority granted by this
26 subchapter, the board of regents of the University of North Texas
27 System may acquire, purchase, construct, improve, renovate,

1 enlarge, or equip property and facilities, including roads and
2 related infrastructure, for projects to be financed through the
3 issuance of bonds in accordance with this subchapter and in
4 accordance with a systemwide revenue financing program adopted by
5 the board for the following institutions, not to exceed the
6 following aggregate principal amounts for the projects specified,
7 as follows:

8 (1) the University of North Texas System, \$25 million
9 for college of law building renovations;

10 (2) the University of North Texas, \$48 million for a
11 science and technology research facility;

12 (3) the University of North Texas at Dallas, \$70
13 million for a library and student success center; and

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

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

24 (c) If sufficient funds are not available to the board to
25 meet its obligations under this section, the board may transfer
26 funds among institutions, branches, and entities of the University
27 of North Texas System to ensure the most equitable and efficient

1 allocation of available resources for each institution, branch, or
2 entity to carry out its duties and purposes.

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

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

17 Sec. 55.1787. MIDWESTERN STATE UNIVERSITY; ADDITIONAL
18 BONDS. (a) In addition to the other authority granted by this
19 subchapter, the board of regents of Midwestern State University may
20 acquire, purchase, construct, improve, renovate, enlarge, or equip
21 property and facilities, including roads and related
22 infrastructure, for library, College of Education, and information
23 technology facilities at Midwestern State University, to be
24 financed through the issuance of bonds in accordance with this
25 subchapter, not to exceed the aggregate principal amount of
26 \$29,990,000.

27 (b) The board may pledge irrevocably to the payment of bonds

1 authorized by this section all or any part of the revenue funds of
2 Midwestern State University, including student tuition charges.
3 The amount of a pledge made under this subsection may not be reduced
4 or abrogated while the bonds for which the pledge is made, or bonds
5 issued to refund those bonds, are outstanding.

6 Sec. 55.1788. STEPHEN F. AUSTIN STATE UNIVERSITY. (a) In
7 addition to the other authority granted by this subchapter, the
8 board of regents of Stephen F. Austin State University may acquire,
9 purchase, construct, improve, renovate, enlarge, or equip property
10 and facilities, including roads and related infrastructure, for a
11 science, technology, engineering, and mathematics research
12 building at Stephen F. Austin State University, to be financed
13 through the issuance of bonds in accordance with this subchapter,
14 not to exceed the aggregate principal amount of \$50 million.

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

21 Sec. 55.1789. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL
22 BONDS. (a) In addition to the other authority granted by this
23 subchapter, the board of regents of the Texas Tech University
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) Texas Tech University Health Sciences Center:

6 (A) \$40,500,000 for Lubbock education, research,
7 and technology facilities;

8 (B) \$75 million for the El Paso Medical Science
9 Building II; and

10 (C) \$17,010,000 for the Permian Basin academic
11 facility;

12 (2) Texas Tech University, \$78,975,000 for a research
13 building; and

14 (3) Angelo State University, \$16,758,000 for a health
15 and human services building.

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

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

1 entity to carry out its duties and purposes.

2 Sec. 55.17891. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL
3 BONDS. (a) In addition to the other authority granted by this
4 subchapter, the board of regents of Texas Southern University may
5 acquire, purchase, construct, improve, renovate, enlarge, or equip
6 property and facilities, including roads and related
7 infrastructure, for the Robert J. Terry Library at Texas Southern
8 University, to be financed through the issuance of bonds in
9 accordance with this subchapter, not to exceed the aggregate
10 principal amount of \$66,017,661.

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

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

26 (1) Texas State Technical College--Harlingen, \$3
27 million for Phase II of the Engineering Technology Center

1 renovation;

2 (2) Texas State Technical College--Marshall,
3 \$1,500,000 for renovation of aviation technology facilities; and

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

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

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

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

21 (e) Approval of the board is not required to acquire real
22 property that is financed by bonds issued under Section 55.17(e)(3)
23 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174,
24 55.1742, 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771,
25 ~~or~~ 55.17721, or 55.1781-55.17892, except that the board shall
26 review all real property to be financed by bonds issued under those
27 sections to determine whether the property meets the standards

1 adopted by the board for cost, efficiency, and space use. If the
2 property does not meet those standards, the board shall notify the
3 governor, the lieutenant governor, the speaker of the house of
4 representatives, and the Legislative Budget Board.

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

7 (b) This section does not apply to construction, repair, or
8 rehabilitation financed by bonds issued under Section 55.17(e)(3)
9 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174, 55.1742,
10 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771, [~~or~~]
11 55.17721, or 55.1781-55.17892, except that the board shall review
12 all construction, repair, or rehabilitation to be financed by bonds
13 issued under those sections to determine whether the construction,
14 rehabilitation, or repair meets the standards adopted by board rule
15 for cost, efficiency, and space use. If the construction,
16 rehabilitation, or repair does not meet those standards, the board
17 shall notify the governor, the lieutenant governor, the speaker of
18 the house of representatives, and the Legislative Budget Board.

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

23 SECTION 5. This Act takes effect immediately if it receives
24 a vote of two-thirds of all the members elected to each house, as
25 provided by Section 39, Article III, Texas Constitution. If this
26 Act does not receive the vote necessary for immediate effect, this
27 Act takes effect September 1, 2013.