

By: Zaffirini, Seliger, Eltife

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 authorizes and pledges additional funds available to the
21 board, other than revenues described by Subsection (c) or money
22 available by legislative appropriation and other than funds from
23 the sale of bonds payable from those revenues or appropriations, in
24 an amount equal to one-half of the amount specified for each project
25 authorized below, the board may, in addition to the other authority
26 granted by this subchapter, acquire, purchase, construct, improve,
27 renovate, enlarge, or equip property and facilities, including

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

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

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

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

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

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

17 (6) Texas A&M University--San Antonio:
18 (A) \$46,666,667 for a science and technology
19 building; and

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

22 (c) 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 Texas A&M University
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 (d) The board may not issue bonds under Subsection (a) until
3 the board makes the pledge of additional funds required to issue
4 bonds under Subsection (b).

5 Sec. 55.1782. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL
6 BONDS. (a) In addition to the other authority granted by this
7 subchapter, the board of regents of The University of Texas System
8 may acquire, purchase, construct, improve, renovate, enlarge, or
9 equip property and facilities, including roads and related
10 infrastructure, for projects to be financed through the issuance of
11 bonds in accordance with this subchapter and in accordance with a
12 systemwide revenue financing program adopted by the board for the
13 following institutions not to exceed the following aggregate
14 principal amounts for the projects specified as follows:

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

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

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

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

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

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

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

3 (b) If the board of regents of The University of Texas
4 System authorizes and pledges additional funds available to the
5 board, other than revenues described by Subsection (c) or money
6 available by legislative appropriation and other than funds from
7 the sale of bonds payable from those revenues or appropriations, in
8 an amount equal to the amount specified for each project authorized
9 below, the board may, in addition to the other authority granted by
10 this subchapter, acquire, purchase, construct, improve, renovate,
11 enlarge, or equip property and facilities, including roads and
12 related infrastructure, for projects to be financed through the
13 issuance of bonds in accordance with this subchapter and in
14 accordance with a systemwide revenue financing program adopted by
15 the board for the following institutions not to exceed the
16 following aggregate principal amounts for the projects specified as
17 follows:

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

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

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

24 (4) The University of Texas at San Antonio,
25 \$46,375,000 for an experimental science instructional building;

26 (5) The University of Texas at Tyler, \$24,250,000 for
27 a STEM and business complex and renovation of the business

1 building;

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

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

8 (8) The University of Texas Health Science Center at
9 Tyler, \$2,502,500 for the Riter Center primary care training center
10 renovation; and

11 (9) The University of Texas of the Permian Basin, \$30
12 million for an engineering building;

13 (c) 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 University of Texas
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 (d) The board may not issue bonds under Subsection (a) until
21 the board makes the pledge of additional funds required to issue
22 bonds under Subsection (b).

23 Sec. 55.1783. UNIVERSITY OF HOUSTON SYSTEM; ADDITIONAL
24 BONDS. (a) In addition to the other authority granted by this
25 subchapter, the board of regents of the University of Houston
26 System may acquire, purchase, construct, improve, renovate,
27 enlarge, or equip property and facilities, including roads and

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

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

9 (2) the University of Houston--Clear Lake,
10 \$75,600,000 for a science and academic support building;

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

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

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 Houston
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 Houston 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. 55.1784. TEXAS STATE UNIVERSITY SYSTEM; ADDITIONAL
2 BONDS. (a) In addition to the other authority granted by this
3 subchapter, the board of regents of the Texas State University
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 as
11 follows:

12 (1) Lamar University, \$40 million for a science
13 building;

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

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

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

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

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

24 (B) \$83 million for an engineering and science
25 building; and

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

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

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

14 Sec. 55.1785. UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL
15 BONDS. (a) In addition to the other authority granted by this
16 subchapter, the board of regents of the University of North Texas
17 System may acquire, purchase, construct, improve, renovate,
18 enlarge, or equip property and facilities, including roads and
19 related infrastructure, for projects to be financed through the
20 issuance of bonds in accordance with this subchapter and in
21 accordance with a systemwide revenue financing program adopted by
22 the board for the following institutions not to exceed the
23 following aggregate principal amounts for the projects specified as
24 follows:

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

27 (2) the University of North Texas, \$48 million for a

1 science and technology research facility;

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

4 (4) the University of North Texas Health Sciences
5 Center at Fort Worth, \$66,600,000 for an interdisciplinary research
6 building.

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 University of North Texas
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 University
17 of North Texas 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. 55.1786. TEXAS WOMAN'S UNIVERSITY. (a) In addition
21 to the other authority granted by this subchapter, the board of
22 regents of Texas Woman's University may acquire, purchase,
23 construct, improve, renovate, enlarge, or equip property and
24 facilities, including roads and related infrastructure, for a
25 science and technology learning center, to be financed through the
26 issuance of bonds in accordance with this subchapter not to exceed
27 the aggregate principal amount of \$37,996,928.

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

7 Sec. 55.1787. MIDWESTERN STATE UNIVERSITY; ADDITIONAL
8 BONDS. (a) In addition to the other authority granted by this
9 subchapter, the board of regents of Midwestern State University may
10 acquire, purchase, construct, improve, renovate, enlarge, or equip
11 property and facilities, including roads and related
12 infrastructure, for library, College of Education, and information
13 technology facilities at Midwestern State University, to be
14 financed through the issuance of bonds in accordance with this
15 subchapter not to exceed the aggregate principal amount of
16 \$29,990,000.

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

23 Sec. 55.1788. STEPHEN F. AUSTIN STATE UNIVERSITY. (a) In
24 addition to the other authority granted by this subchapter, the
25 board of regents of Stephen F. Austin State University may acquire,
26 purchase, construct, improve, renovate, enlarge, or equip property
27 and facilities, including roads and related infrastructure, for a

1 science, technology, engineering, and mathematics research
2 building at Stephen F. Austin State University, to be financed
3 through the issuance of bonds in accordance with this subchapter
4 not to exceed the aggregate principal amount of \$50 million.

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

11 Sec. 55.1789. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL
12 BONDS. (a) In addition to the other authority granted by this
13 subchapter, the board of regents of the Texas Tech 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 as
21 follows:

22 (1) Texas Tech University Health Sciences Center:

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

25 (B) \$75 million for the El Paso Medical Science
26 Building II;

27 (C) \$17,010,000 for the Permian Basin academic

1 facility; and

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

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

6 (b) The board may pledge irrevocably to the payment of bonds
7 authorized by this section all or any part of the revenue funds of
8 an institution, branch, or entity of the Texas Tech University
9 System, including student tuition charges. The amount of a pledge
10 made 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 Tech
16 University 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 Sec. 55.17891. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL
20 BONDS. (a) In addition to the other authority granted by this
21 subchapter, the board of regents of Texas Southern University may
22 acquire, purchase, construct, improve, renovate, enlarge, or equip
23 property and facilities, including roads and related
24 infrastructure, for the Robert J. Terry Library at Texas Southern
25 University, to be financed through the issuance of bonds in
26 accordance with this subchapter not to exceed the aggregate
27 principal amount of \$66,017,661.

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

7 Sec. 55.17892. TEXAS STATE TECHNICAL COLLEGE SYSTEM.

8 (a) In addition to the other authority granted by this subchapter,
9 the board of regents of the Texas State Technical College System may
10 acquire, purchase, construct, improve, renovate, enlarge, or equip
11 property and facilities, roads, or related infrastructure, for
12 projects to be financed through the issuance of bonds in accordance
13 with this subchapter for the following institutions not to exceed
14 the following aggregate principal amounts for the projects
15 specified as follows:

16 (1) Texas State Technical College--Harlingen, \$3
17 million for Phase II of the Engineering Technology Center
18 renovation;

19 (2) Texas State Technical College--Marshall,
20 \$1,500,000 for renovation of aviation technology facilities; and

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

23 (b) The board may pledge irrevocably to the payment of those
24 bonds all or any part of the revenue funds of an institution,
25 branch, or entity of the Texas State Technical College System,
26 including student tuition charges. The amount of a pledge made
27 under this subsection may not be reduced or abrogated while the

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

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

9 SECTION 2. Section 61.0572(e), Education Code, is amended
10 to read as follows:

11 (e) Approval of the board is not required to acquire real
12 property that is financed by bonds issued under Section 55.17(e)(3)
13 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174,
14 55.1742, 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771,
15 [~~or~~] 55.17721, or 55.1781-55.17892, except that the board shall
16 review all real property to be financed by bonds issued under those
17 sections to determine whether the property meets the standards
18 adopted by the board for cost, efficiency, and space use. If the
19 property does not meet those standards, the board shall notify the
20 governor, the lieutenant governor, the speaker of the house of
21 representatives, and the Legislative Budget Board.

22 SECTION 3. Section 61.058(b), Education Code, is amended to
23 read as follows:

24 (b) This section does not apply to construction, repair, or
25 rehabilitation financed by bonds issued under Section 55.17(e)(3)
26 or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174, 55.1742,
27 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771, [~~or~~]

1 55.17721, or 55.1781-55.17892, except that the board shall review
2 all construction, repair, or rehabilitation to be financed by bonds
3 issued under those sections to determine whether the construction,
4 rehabilitation, or repair meets the standards adopted by board rule
5 for cost, efficiency, and space use. If the construction,
6 rehabilitation, or repair does not meet those standards, the board
7 shall notify the governor, the lieutenant governor, the speaker of
8 the house of representatives, and the Legislative Budget Board.

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

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