

By: Zaffirini

S.B. No. 26

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 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 institutions and facilities identified in the Texas Higher Education Coordinating Board tuition revenue bond evaluation report submitted to the Legislative Budget Board by January 15, 2013.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The Texas A&M University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the

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

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

Sec. 55.1782. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip 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 institutions and facilities identified in the Texas Higher Education Coordinating Board tuition revenue bond evaluation report submitted to the Legislative Budget Board by January 15, 2013.

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

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

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

Sec. 55.1783. UNIVERSITY OF HOUSTON SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the University of Houston System may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for the following institutions, 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 institutions and facilities identified in the Texas Higher Education Coordinating Board tuition revenue bond evaluation report submitted to the Legislative Budget Board by January 15, 2013.

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

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the University

of Houston System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Sec. 55.1784. TEXAS STATE UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the Texas State University System may acquire, purchase, construct, improve, renovate, enlarge, or equip 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 institutions and facilities identified in the Texas Higher Education Coordinating Board tuition revenue bond evaluation report submitted to the Legislative Budget Board by January 15, 2013.

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

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

1 entity to carry out its duties and purposes.

2 Sec. 55.1785. UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL
3 BONDS. (a) In addition to the other authority granted by this
4 subchapter, the board of regents of the University of North Texas
5 System may acquire, purchase, construct, improve, renovate,
6 enlarge, or equip facilities, including roads and related
7 infrastructure, for projects to be financed through the issuance of
8 bonds in accordance with this subchapter and in accordance with a
9 systemwide revenue financing program adopted by the board for the
10 institutions and facilities identified in the Texas Higher
11 Education Coordinating Board tuition revenue bond evaluation
12 report submitted to the Legislative Budget Board by January 15,
13 2013.

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 facilities,
4 including roads and related infrastructure, for projects to be
5 financed through the issuance of bonds in accordance with this
6 subchapter and identified in the Texas Higher Education
7 Coordinating Board tuition revenue bond evaluation report
8 submitted to the Legislative Budget Board by January 15, 2013.

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 facilities, including roads and related infrastructure, identified
20 in the Texas Higher Education Coordinating Board tuition revenue
21 bond evaluation report submitted to the Legislative Budget Board by
22 January 15, 2013.

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

1 issued to refund those bonds, are outstanding.

2 Sec. 55.1788. STEPHEN F. AUSTIN STATE UNIVERSITY. (a) In
3 addition to the other authority granted by this subchapter, the
4 board of regents of Stephen F. Austin State University may acquire,
5 purchase, construct, improve, renovate, enlarge, or equip
6 facilities, including roads and related infrastructure, identified
7 in the Texas Higher Education Coordinating Board tuition revenue
8 bond evaluation report submitted to the Legislative Budget Board by
9 January 15, 2013.

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

16 Sec. 55.1789. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL
17 BONDS. (a) In addition to the other authority granted by this
18 subchapter, the board of regents of the Texas Tech University
19 System may acquire, purchase, construct, improve, renovate,
20 enlarge, or equip facilities, including roads and related
21 infrastructure, for projects to be financed through the issuance of
22 bonds in accordance with this subchapter and in accordance with a
23 systemwide revenue financing program adopted by the board for the
24 institutions and facilities identified in the Texas Higher
25 Education Coordinating Board tuition revenue bond evaluation
26 report submitted to the Legislative Budget Board by January 15,
27 2013.

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

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

Sec. 55.17891. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of Texas Southern University may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, identified in the Texas Higher Education Coordinating Board tuition revenue bond evaluation report submitted to the Legislative Budget Board by January 15, 2013.

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

1 Sec. 55.17892. TEXAS STATE TECHNICAL COLLEGE SYSTEM.

2 (a) In addition to the other authority granted by this subchapter,
3 the board of regents of the Texas State Technical College System may
4 acquire, purchase, construct, improve, renovate, enlarge, or equip
5 property, buildings, structures, facilities, roads, or related
6 infrastructure, for projects to be financed through the issuance of
7 bonds in accordance with this subchapter and identified in the
8 Texas Higher Education Coordinating Board tuition revenue bond
9 evaluation report submitted to the Legislative Budget Board by
10 January 15, 2013.

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. Section 61.0572(e), Education Code, is amended
25 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. Section 61.058(b), Education Code, is amended to
11 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. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2013.