

By: Seliger, Eltife

S.B. No. 496

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the authority of the Texas Higher Education
3 Coordinating Board to review and approve capital projects and
4 purchases of real property at public institutions of higher
5 education in this state.

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

7 SECTION 1. Sections 61.0572(b), (d), and (e), Education
8 Code, are amended to read as follows:

9 (b) The board shall:

10 (1) determine formulas for space utilization in all
11 educational and general buildings and facilities at institutions of
12 higher education;

13 (2) devise and promulgate methods to assure maximum
14 daily and year-round use of educational and general buildings and
15 facilities, including but not limited to maximum scheduling of day
16 and night classes and maximum summer school enrollment;

17 (3) consider plans for selective standards of
18 admission when institutions of higher education approach capacity
19 enrollment;

20 (4) require, and assist the public technical
21 institutes, public senior colleges and universities, medical and
22 dental units, and other agencies of higher education in developing
23 long-range campus master plans for campus development; and

24 (5) ~~[endorse, or delay until the next succeeding~~

1 ~~session of the legislature has the opportunity to approve or~~
2 ~~disapprove, the proposed purchase of any real property by an~~
3 ~~institution of higher education, except a public junior college,~~
4 ~~[(6) develop and publish standards, rules, and~~
5 ~~regulations to guide the institutions and agencies of higher~~
6 ~~education in making application for the approval of new~~
7 ~~construction and major repair and rehabilitation of all buildings~~
8 ~~and facilities regardless of proposed use; and~~

9 ~~[(7)] ascertain that the board's standards and~~
10 ~~specifications for new construction, repair, and rehabilitation of~~
11 ~~all buildings and facilities are in accordance with Chapter 469,~~
12 ~~Government Code [~~Article 9102, Revised Statutes~~].~~

13 (d) ~~[(1)]~~ The board~~[, for purposes of state funding,]~~ may
14 review purchases of ~~[and approve as an addition to an institution's~~
15 ~~educational and general buildings and facilities inventory any]~~
16 improved real property added to an institution's educational and
17 general buildings and facilities inventory ~~[acquired by gifts or~~
18 ~~lease-purchase only if:~~

19 ~~[(A) the institution requests to place the~~
20 ~~improved real property on its educational and general buildings and~~
21 ~~facilities inventory; and~~

22 ~~[(B) the value of the improved real property is~~
23 ~~more than \$300,000 at the time the institution requests the~~
24 ~~property to be added to the educational and general buildings and~~
25 ~~facilities inventory.~~

26 ~~[(2) This subsection does not apply to gifts, grants,~~
27 ~~or lease-purchase arrangements intended for clinical or research~~

1 facilities.

2 ~~[(c) Approval of the board is not required to acquire real~~
3 ~~property that is financed by bonds issued under Section 55.17(e)(3)~~
4 ~~or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174,~~
5 ~~55.1742, 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771, or~~
6 ~~55.17721, except that the board shall review all real property to be~~
7 ~~financed by bonds issued under those sections]~~ to determine whether
8 the property meets the standards adopted by the board for cost,
9 efficiency, and space use, but the purchase of the improved real
10 property is not contingent on board review. If the property does
11 not meet those standards, the board shall notify the governor, the
12 lieutenant governor, the speaker of the house of representatives,
13 and the Legislative Budget Board.

14 SECTION 2. Sections 61.058(a) and (b), Education Code, are
15 amended to read as follows:

16 (a) This section does not apply to ~~[Except as provided by~~
17 ~~Subsection (b) of this section, the board shall approve or~~
18 ~~disapprove all new construction and repair and rehabilitation of~~
19 ~~all buildings and facilities at institutions of higher education~~
20 ~~financed from any source provided that:~~

21 ~~[(A) the board's consideration and determination~~
22 ~~shall be limited to the purpose for which the new or remodeled~~
23 ~~buildings are to be used to assure conformity with approved space~~
24 ~~utilization standards and the institution's approved programs and~~
25 ~~role and mission if the cost of the project is not more than~~
26 ~~\$4,000,000, but the board may consider cost factors and the~~
27 ~~financial implications of the project to the state if the total cost~~

1 ~~is in excess of \$4,000,000;~~

2 ~~[(B) the requirement of approval for new~~
3 ~~construction applies only to projects the total cost of which is in~~
4 ~~excess of \$4,000,000;~~

5 ~~[(C) the requirement of approval for major repair~~
6 ~~and rehabilitation of buildings and facilities applies only to a~~
7 ~~project the total cost of which is more than \$4,000,000;~~

8 ~~[(D) the requirement of approval or disapproval~~
9 ~~by the board does not apply to any new construction or major repair~~
10 ~~and rehabilitation project that is specifically approved by the~~
11 ~~legislature;~~

12 ~~[(E) the requirement of approval by the board~~
13 ~~does not apply to a junior college's construction, repair, or~~
14 ~~rehabilitation financed entirely with funds from a source other~~
15 ~~than the state, including funds from ad valorem tax receipts of the~~
16 ~~college, gifts, grants, and donations to the college, and student~~
17 ~~fees; and~~

18 ~~[(F) the requirement of approval by the board~~
19 ~~does not apply to construction, repair, or rehabilitation of~~
20 ~~privately owned buildings and facilities located on land leased~~
21 ~~from an institution of higher education if the construction,~~
22 ~~repair, or rehabilitation is financed entirely from funds not under~~
23 ~~the control of the institution, and provided further that:~~

24 ~~[(i) the] buildings and facilities that are~~
25 ~~to be used exclusively for auxiliary enterprises[+] and~~

26 ~~[(ii) the buildings and facilities] will~~
27 ~~not require appropriations from the legislature for operation,~~

1 maintenance, or repair [~~unless approval by the board has been~~
2 ~~obtained~~].

3 (b) The [~~This section does not apply to construction,~~
4 ~~repair, or rehabilitation financed by bonds issued under Section~~
5 ~~55.17(e)(3) or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174,~~
6 ~~55.1742, 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771, or~~
7 ~~55.17721, except that the~~] board may [~~shall~~] review all
8 construction, repair, or rehabilitation of buildings and
9 facilities at institutions of higher education [~~to be financed by~~
10 ~~bonds issued under those sections~~] to determine whether the
11 construction, rehabilitation, or repair meets the standards
12 adopted by board rule for cost, efficiency, and space use, but the
13 construction, rehabilitation, or repair is not contingent on board
14 review. If the construction, rehabilitation, or repair does not
15 meet those standards, the board shall notify the governor, the
16 lieutenant governor, the speaker of the house of representatives,
17 and the Legislative Budget Board.

18 SECTION 3. The following provisions of the Education Code
19 are repealed:

- 20 (1) Section 61.0573; and
21 (2) Section 61.058(c).

22 SECTION 4. This Act takes effect immediately if it receives
23 a vote of two-thirds of all the members elected to each house, as
24 provided by Section 39, Article III, Texas Constitution. If this
25 Act does not receive the vote necessary for immediate effect, this
26 Act takes effect September 1, 2013.