

1-1 By: Seliger, Eltife S.B. No. 496
 1-2 (In the Senate - Filed February 11, 2013; February 13, 2013,
 1-3 read first time and referred to Committee on Higher Education;
 1-4 April 15, 2013, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 5, Nays 1; April 15, 2013,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Seliger	X			
1-9 Watson			X	
1-10 Birdwell		X		
1-11 Duncan	X			
1-12 Patrick	X			
1-13 West	X			
1-14 Zaffirini	X			

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 496 By: Seliger

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the authority of the Texas Higher Education
 1-20 Coordinating Board to review and approve capital projects and
 1-21 purchases of real property at public institutions of higher
 1-22 education in this state.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subsections (b), (d), and (e), Section 61.0572,
 1-25 Education Code, are amended to read as follows:

1-26 (b) The board shall:

1-27 (1) determine formulas for space utilization in all
 1-28 educational and general buildings and facilities at institutions of
 1-29 higher education;

1-30 (2) devise and promulgate methods to assure maximum
 1-31 daily and year-round use of educational and general buildings and
 1-32 facilities, including but not limited to maximum scheduling of day
 1-33 and night classes and maximum summer school enrollment;

1-34 (3) consider plans for selective standards of
 1-35 admission when institutions of higher education approach capacity
 1-36 enrollment;

1-37 (4) require, and assist the public technical
 1-38 institutes, public senior colleges and universities, medical and
 1-39 dental units, and other agencies of higher education in developing
 1-40 long-range campus master plans for campus development; and

1-41 (5) ~~endorse, or delay until the next succeeding~~
 1-42 ~~session of the legislature has the opportunity to approve or~~
 1-43 ~~disapprove, the proposed purchase of any real property by an~~
 1-44 ~~institution of higher education, except a public junior college;~~

1-45 ~~[(6) develop and publish standards, rules, and~~
 1-46 ~~regulations to guide the institutions and agencies of higher~~
 1-47 ~~education in making application for the approval of new~~
 1-48 ~~construction and major repair and rehabilitation of all buildings~~
 1-49 ~~and facilities regardless of proposed use; and~~

1-50 ~~[(7)] ascertain that the board's standards and~~
 1-51 ~~specifications for new construction, repair, and rehabilitation of~~
 1-52 ~~all buildings and facilities are in accordance with Chapter 469,~~
 1-53 ~~Government Code [Article 9102, Revised Statutes].~~

1-54 (d) ~~[(1)] The board [for purposes of state funding,] may~~
 1-55 ~~review purchases of [and approve as an addition to an institution's~~
 1-56 ~~educational and general buildings and facilities inventory any]~~
 1-57 ~~improved real property added to an institution's educational and~~
 1-58 ~~general buildings and facilities inventory [acquired by gifts or~~
 1-59 ~~lease-purchase only if:~~

1-60 ~~[(A) the institution requests to place the~~

2-1 ~~improved real property on its educational and general buildings and~~
 2-2 ~~facilities inventory; and~~

2-3 ~~[(B) the value of the improved real property is~~
 2-4 ~~more than \$300,000 at the time the institution requests the~~
 2-5 ~~property to be added to the educational and general buildings and~~
 2-6 ~~facilities inventory.~~

2-7 ~~[(2) This subsection does not apply to gifts, grants,~~
 2-8 ~~or lease-purchase arrangements intended for clinical or research~~
 2-9 ~~facilities.~~

2-10 ~~[(e) Approval of the board is not required to acquire real~~
 2-11 ~~property that is financed by bonds issued under Section 55.17(e)(3)~~
 2-12 ~~or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174,~~
 2-13 ~~55.1742, 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771, or~~
 2-14 ~~55.17721, except that the board shall review all real property to be~~
 2-15 ~~financed by bonds issued under those sections] to determine whether~~
 2-16 ~~the property meets the standards adopted by the board for cost,~~
 2-17 ~~efficiency, and space use, but the purchase of the improved real~~
 2-18 ~~property is not contingent on board review. If the property does~~
 2-19 ~~not meet those standards, the board shall notify the governor, the~~
 2-20 ~~lieutenant governor, the speaker of the house of representatives,~~
 2-21 ~~and the Legislative Budget Board. This subsection does not impair~~
 2-22 ~~the board's authority to collect data relating to the improved real~~
 2-23 ~~property that is added each year to the educational and general~~
 2-24 ~~buildings and facilities inventory of institutions of higher~~
 2-25 ~~education.~~

2-26 SECTION 2. Subsections (a) and (b), Section 61.058,
 2-27 Education Code, are amended to read as follows:

2-28 (a) ~~This section does not apply to [Except as provided by~~
 2-29 ~~Subsection (b) of this section, the board shall approve or~~
 2-30 ~~disapprove all new construction and repair and rehabilitation of~~
 2-31 ~~all buildings and facilities at institutions of higher education~~
 2-32 ~~financed from any source provided that:~~

2-33 ~~[(A) the board's consideration and determination~~
 2-34 ~~shall be limited to the purpose for which the new or remodeled~~
 2-35 ~~buildings are to be used to assure conformity with approved space~~
 2-36 ~~utilization standards and the institution's approved programs and~~
 2-37 ~~role and mission if the cost of the project is not more than~~
 2-38 ~~\$4,000,000, but the board may consider cost factors and the~~
 2-39 ~~financial implications of the project to the state if the total cost~~
 2-40 ~~is in excess of \$4,000,000;~~

2-41 ~~[(B) the requirement of approval for new~~
 2-42 ~~construction applies only to projects the total cost of which is in~~
 2-43 ~~excess of \$4,000,000;~~

2-44 ~~[(C) the requirement of approval for major repair~~
 2-45 ~~and rehabilitation of buildings and facilities applies only to a~~
 2-46 ~~project the total cost of which is more than \$4,000,000;~~

2-47 ~~[(D) the requirement of approval or disapproval~~
 2-48 ~~by the board does not apply to any new construction or major repair~~
 2-49 ~~and rehabilitation project that is specifically approved by the~~
 2-50 ~~legislature;~~

2-51 ~~[(E) the requirement of approval by the board~~
 2-52 ~~does not apply to a junior college's construction, repair, or~~
 2-53 ~~rehabilitation financed entirely with funds from a source other~~
 2-54 ~~than the state, including funds from ad valorem tax receipts of the~~
 2-55 ~~college, gifts, grants, and donations to the college, and student~~
 2-56 ~~fees; and~~

2-57 ~~[(F) the requirement of approval by the board~~
 2-58 ~~does not apply to construction, repair, or rehabilitation of~~
 2-59 ~~privately owned buildings and facilities located on land leased~~
 2-60 ~~from an institution of higher education if the construction,~~
 2-61 ~~repair, or rehabilitation is financed entirely from funds not under~~
 2-62 ~~the control of the institution, and provided further that:~~

2-63 ~~[(i) the] buildings and facilities that are~~
 2-64 ~~to be used exclusively for auxiliary enterprises[+] and~~

2-65 ~~[(ii) the buildings and facilities] will~~
 2-66 ~~not require appropriations from the legislature for operation,~~
 2-67 ~~maintenance, or repair [unless approval by the board has been~~
 2-68 ~~obtained].~~

2-69 (b) The ~~[This section does not apply to construction,~~

3-1 ~~repair, or rehabilitation financed by bonds issued under Section~~
3-2 ~~55.17(e)(3) or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174,~~
3-3 ~~55.1742, 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771, or~~
3-4 ~~55.17721, except that the] board may [shall] review all~~
3-5 ~~construction, repair, or rehabilitation of buildings and~~
3-6 ~~facilities at institutions of higher education [to be financed by~~
3-7 ~~bonds issued under those sections] to determine whether the~~
3-8 ~~construction, rehabilitation, or repair meets the standards~~
3-9 ~~adopted by board rule for cost, efficiency, and space use, but the~~
3-10 ~~construction, rehabilitation, or repair is not contingent on board~~
3-11 ~~review. If the construction, rehabilitation, or repair does not~~
3-12 ~~meet those standards, the board shall notify the governor, the~~
3-13 ~~lieutenant governor, the speaker of the house of representatives,~~
3-14 ~~and the Legislative Budget Board. This subsection does not impair~~
3-15 ~~the board's authority to collect data relating to the construction,~~
3-16 ~~repair, or rehabilitation of buildings and facilities occurring~~
3-17 ~~each year at institutions of higher education.~~

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

- 3-20 (1) Section 61.0573; and
- 3-21 (2) Subsection (c), Section 61.058.

3-22 SECTION 4. This Act takes effect immediately if it receives
3-23 a vote of two-thirds of all the members elected to each house, as
3-24 provided by Section 39, Article III, Texas Constitution. If this
3-25 Act does not receive the vote necessary for immediate effect, this
3-26 Act takes effect September 1, 2013.

3-27 * * * * *