

By: Zaffirini

S.B. No. 1604

A BILL TO BE ENTITLED

1 AN ACT
2 relating to asset management and acquisition by institutions of
3 higher education.

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

5 SECTION 1. Section 73.115, Education Code, is amended by
6 adding Subsection (g) to read as follows:

7 (g) In any contract for the acquisition of goods and
8 services to which an institution of higher education is a party, a
9 provision required by applicable law to be included in the contract
10 is considered to be a part of the executed contract without regard
11 to:

12 (1) whether the provision appears on the face of the
13 contract; or

14 (2) whether the contract includes any provision to the
15 contrary.

16 SECTION 2. Chapter 64, Property Code, as added by Chapter
17 918, Acts of the 82nd Legislature, Regular Session, 2011, is
18 amended by adding Section 64.0011 to read as follows:

19 Sec. 64.0011. APPLICATION TO INSTITUTIONS OF HIGHER
20 EDUCATION. This chapter does not apply to residential property for
21 which an institution of higher education is a co-owner.

22 SECTION 3. Section 66.08(d), Education Code, is amended to
23 read as follows:

24 (d) The board of directors of the corporation shall have

1 nine members, determined as follows:

2 (1) seven [~~six~~] members appointed by the board, of
3 whom:

4 (A) three must be members of the board; ~~and~~

5 (B) [~~the other~~] three must have a substantial
6 background and expertise in investments; and

7 (C) one must be a qualified individual as
8 determined by the board, which may include

9 [~~2~~] the chancellor of The University of Texas System;

10 and

11 [~~3~~] two members appointed by the board of regents of The
12 Texas A&M University System, at least one of whom must have a
13 substantial background and expertise in investments.

14 SECTION 4. Section 74.002, Education Code, is repealed.

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