

By: Alvarado

H.B. No. 1737

A BILL TO BE ENTITLED

1 AN ACT

2 relating to a requirement that the governing board of a public
3 institution of higher education obtain prior approval from the
4 Texas Higher Education Coordinating Board before making certain
5 land purchases.

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

7 SECTION 1. Subchapter C, Chapter 61, Education Code, is
8 amended by adding Section 61.05715 to read as follows:

9 Sec. 61.05715. BOARD APPROVAL REQUIRED FOR CERTAIN LAND
10 PURCHASES. (a) Notwithstanding any other provision of this chapter
11 or other law, the governing board of an institution of higher
12 education may purchase land for the use of the institution that is
13 outside of the service region of the institution only if the
14 governing board obtains prior approval for the purchase from the
15 board.

16 (b) The board by rule shall define the service region for
17 each institution of higher education for purposes of this section
18 so that all the geographic territory of this state is included in at
19 least one service region. In defining the service region for an
20 institution, the board shall include areas:

21 (1) that are in geographic proximity to the
22 institution;

23 (2) in which the institution's students predominantly
24 reside while attending the institution;

1 (3) in which the faculty and staff of the institution
2 primarily reside;

3 (4) in which the institution is a primary contributor
4 to serving local educational and workforce demand; and

5 (5) that otherwise directly benefit by virtue of
6 proximity to the institution.

7 (c) The board may approve a purchase by a governing board of
8 an institution of higher education of land for the use of the
9 institution that is outside of the service region of the
10 institution only if the board determines that:

11 (1) the intended use of the land is consistent with the
12 institution's mission and the goals of the state's master plan for
13 the delivery of higher education in this state and does not
14 unnecessarily duplicate other programs and resources; and

15 (2) the region in which the land is located is not
16 adequately served by other institutions of higher education with
17 respect to the intended use of the land.

18 (d) The board shall adopt rules for the administration of
19 this section, including rules prescribing the procedure by which
20 the governing board of an institution of higher education may seek
21 approval for a land purchase described by this section.

22 (e) This section does not apply to the purchase of permanent
23 university fund land assets.

24 SECTION 2. The Texas Higher Education Coordinating Board
25 shall adopt rules required by Section 61.05715, Education Code, as
26 added by this Act, as soon as practicable following the effective
27 date of this Act, but not later than December 1, 2017.

1 SECTION 3. The change in law made by this Act applies only
2 to a contract for the purchase of land entered into on or after
3 January 1, 2018. A contract for the purchase of land entered into
4 before that date is governed by the law in effect on the date the
5 contract is entered into, and the former law is continued in effect
6 for that purpose.

7 SECTION 4. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2017.