

## **BILL ANALYSIS**

Senate Research Center

S.B. 52  
By: Creighton  
Higher Education  
10/25/2021  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Interest has been expressed across the state to provide Texas university systems with means to undertake capital projects on institution campuses. Tuition revenue bonds (TRBs) have been identified as a method the legislature favors for funding construction in higher education. S.B. 52 seeks to provide capital funding across Texas institutions to address the needs of students and necessary infrastructure developments.

S.B. 8, from the 87th Third Called Special Session, provides \$325 million to the Texas Higher Education Coordinating Board for university construction, providing for the issuance of tuition revenue bonds, contingent on the passage of a TRB bill. This proposal is in alignment with that provision in S.B. 8.

S.B. 52 fully funds projects with an emphasis on renovation, projects to replace inoperable buildings, and deferred maintenance and construction for regional campuses. This proposal provides funding within each Texas higher education system as well as for independent institutions and the Texas state technical colleges.

S.B. 52 allocates \$3 billion in TRB authority for 47 TRB project requests.

The senate committee substitute to S.B. 52 made the following changes to the original bill:

Provided funding for an additional three health-related institutions and four comprehensive regional universities;

Added funding for each flagship university; and

Funded Available University Fund (AUF) eligible institutions at 80 percent of their respective requests.

Adjustments were made to allocations in the filed bill for Texas Woman's University, Texas Southern University, and the University of North Texas at Dallas.

The system flagship universities were each funded at 90 percent with the exception of The University of Texas at Austin and Texas A&M University, which are funded at 80 percent because they are AUF eligible, and Texas Tech University, which is funded at 100 percent to help keep funding between systems as equitable as possible.

S.B. 52 amends current law relating to the issuance of revenue bonds to fund capital projects at public institutions of higher education, the oversight of certain capital projects at those institutions, and the designation of certain appropriated funds allocated to those institutions.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 55, Education Code, by adding Section 55.111, as follows:

Sec. 55.111. CERTAIN ALLOCATED FUNDS TO BE DESIGNATED AS CAPITAL CONSTRUCTION ASSISTANCE PROJECTS. Authorizes funds allocated from the appropriation of general revenue or federal funds to an institution of higher education to supplement revenue funds of the institution described by Section 55.13(a) (relating to authorizing each governing board of an institution of higher education to issue its revenue bonds from time to time and in one or more issue or series, to be payable from and secured by liens on and pledges of all or any part of any of the revenue funds of the board and its institution or institutions, or any branch or branches of any of its institutions), for purposes of Subchapter B (Revenue Bonds and Facilities), to be designated as "Capital Construction Assistance Projects."

SECTION 2. Amends Subchapter B, Chapter 55, Education Code, by adding Sections 55.1791, 55.1792, 55.1793, 55.1794, 55.1795, 55.1796, 55.1797, 55.1798, 55.1799, and 55.17991, as follows:

Sec. 55.1791. THE TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) Authorizes the board of regents of The Texas A&M University System, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip property and 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 of regents of The Texas A&M University System for the following institutions, not to exceed the following aggregate principal amounts for the projects specified, as follows:

- (1) The Texas A&M University System, \$43,425,406 for construction of a STEM education center at the RELLIS campus;
- (2) Prairie View A&M University, \$44,922,833 for construction of a teaching and academic student support services facility;
- (3) Tarleton State University:
  - (A) \$65 million for construction of a College of Health Sciences and Human Services building on the Stephenville campus; and
  - (B) \$25 million for expansion of the Fort Worth campus;
- (4) Texas A&M University, \$56,153,542 for construction of a clinical veterinary teaching and research complex;
- (5) Texas A&M University--Commerce, \$44,922,833 for an Agricultural Multipurpose Education and Training Center;
- (6) Texas A&M University--Corpus Christi, \$44,922,833 for construction of an arts and media building;
- (7) Texas A&M University at Galveston, \$33,692,125 for construction of an engineering classroom and research building;
- (8) Texas A&M University--Kingsville, \$44,922,833 for renovations to address deferred maintenance for campus buildings;
- (9) Texas A&M University--Central Texas, \$44,922,833 for construction of a central utility plant and infrastructure upgrades;

(10) West Texas A&M University, \$44,922,833 for infrastructure upgrades to address health and safety issues and the renovation of an education building;

(11) Texas A&M University--San Antonio, \$44,922,833 for construction of a public health and education building;

(12) Texas A&M International University, \$44,922,833 for construction of a health science education and research center;

(13) Texas A&M University--Texarkana, \$44,922,833 for construction of a business, engineering, and technology building; and

(14) The Texas A&M University System Health Science Center:

(A) \$69,897,111 for construction of the Texas Medical Center Building 3 in Houston, Texas; and

(B) \$29,948,556 for construction of a nursing education and research center in McAllen, Texas.

(b) Authorizes the board of regents of The Texas A&M University System to 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. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board of regents of The Texas A&M University System, if sufficient funds are not available to the board of regents of The Texas A&M University System to meet its obligations under this section, to 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.

(d) Authorizes the board of regents of The Texas A&M University System, in lieu of financing a project described by Subsection (a) for an institution of higher education, entity, or university system, to finance in the manner prescribed by that subsection an alternative project for deferred maintenance, infrastructure, or construction at the same institution, entity, or system in an amount not to exceed the total of the amount authorized for the project and any unspent amount from projects authorized for the institution, entity, or system under Chapter 55 (Financing Permanent Improvements). Requires the board of regents of The Texas A&M University System to notify the Texas Higher Education Coordinating Board (THECB) of an alternative project financed as provided by this subsection.

(e) Requires the board of regents of The Texas A&M University System, for financing of an alternative project as provided by Subsection (d) in an amount that exceeds \$25 million, to receive prior written approval from the governor and Legislative Budget Board (LBB). Provides that a request for approval of financing of an alternative project is considered approved unless the governor or the LBB issues a written disapproval not later than the 30th business day after the date of the receipt of the request.

Sec. 55.1792. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL BONDS. (a) Authorizes the board of regents of The University of Texas System, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve,

renovate, enlarge, or equip property and 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 of regents of The University of Texas System for the following institutions, not to exceed the following aggregate principal amounts for the projects specified, as follows:

- (1) The University of Texas System, \$56,153,542 for renovation of the Microelectronics Research Center at the J. J. Pickle Research Campus;
- (2) The University of Texas at Arlington, \$52,409,972 for renovation of the Life Science Building;
- (3) The University of Texas at Austin, \$56,153,542 for renovation of the Physics, Math, and Astronomy Building;
- (4) The University of Texas at Dallas, \$52,409,972 for construction of a student success center;
- (5) The University of Texas at El Paso, \$52,409,972 for construction of an advanced teaching and learning complex;
- (6) The University of Texas of the Permian Basin, \$44,922,833 for renovation of the Mesa Building and campus transformation;
- (7) The University of Texas Rio Grande Valley, \$44,922,833 for construction of a health affairs building;
- (8) The University of Texas at San Antonio, \$52,409,972 for construction of an Innovation, Entrepreneurship, and Careers building;
- (9) The University of Texas at Tyler, \$44,922,833 for construction of a sciences building;
- (10) The University of Texas Health Science Center at Houston, \$69,897,111 for construction of a public health education and research building;
- (11) The University of Texas Health Science Center at San Antonio, \$59,897,111 for construction of the Glenn Biggs Institute for Alzheimer's & Neurodegenerative Diseases Building;
- (12) The University of Texas Health Science Center at Tyler:
  - (A) \$48 million for construction of a health professions education center; and
  - (B) \$10 million for construction of a health professions education center located in Longview, Texas;
- (13) The University of Texas M. D. Anderson Cancer Center, \$69,897,111 for construction of a life sciences research, innovation, and discovery initiative facility;
- (14) The University of Texas Medical Branch at Galveston, \$59,897,111 for infrastructure and research space upgrades for research buildings; and
- (15) UT Southwestern Medical Center, \$59,897,111 for construction of the north campus Phase VI Brain Institute shell space.

(b) Authorizes the board of regents of The University of Texas System to 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. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board of regents of The University of Texas System, if sufficient funds are not available to the board of regents of The University of Texas System to meet its obligations under this section, to 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.

(d) Authorizes the board of regents of The University of Texas System, in lieu of financing a project described by Subsection (a) for an institution of higher education, entity, or university system, to finance in the manner prescribed by that subsection an alternative project for deferred maintenance, infrastructure, or construction at the same institution, entity, or system in an amount not to exceed the total of the amount authorized for the project and any unspent amount from projects authorized for the institution, entity, or system under this chapter. Requires the board of regents of The University of Texas System to notify THECB of an alternative project financed as provided by this subsection.

(e) Requires the board of regents of The University of Texas System, for financing of an alternative project as provided by Subsection (d) in an amount that exceeds \$25 million, to receive prior written approval from the governor and the LBB. Provides that a request for approval of financing of an alternative project is considered approved unless the governor or the LBB issues a written disapproval not later than the 30th business day after the date of the receipt of the request.

Sec. 55.1793. UNIVERSITY OF HOUSTON SYSTEM; ADDITIONAL BONDS. (a) Authorizes the board of regents of the University of Houston System, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip property and 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 of regents of the University of Houston System for the following institutions, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) the University of Houston System, \$59,897,111 for construction of a medical research facility;

(2) the University of Houston:

(A) \$40 million for construction of the Hobby School of Public Affairs Building;

(B) \$52,409,972 for construction of the IDEA Lab; and

(C) \$52,409,972 for construction of the Sugar Land Academic Building 2;

(3) the University of Houston--Clear Lake, \$44,922,833 for renovation of the Bayou Building, the Delta Building, and the Student Services and Classroom Building;

(4) the University of Houston--Downtown, \$44,922,833 for renovation of existing buildings and other campus infrastructure upgrades and for the

construction of the Police Department and Criminal Justice Academy Building; and

(5) the University of Houston--Victoria, \$44,922,833 for renovation of existing buildings and other campus infrastructure upgrades.

(b) Authorizes the board of regents of the University of Houston System to 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. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board of regents of the University of Houston System, if sufficient funds are not available to the board of regents of the University of Houston System to meet its obligations under this section, to 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.

(d) Authorizes the board of regents of the University of Houston System, in lieu of financing a project described by Subsection (a) for an institution of higher education, entity, or university system, to finance in the manner prescribed by that subsection an alternative project for deferred maintenance, infrastructure, or construction at the same institution, entity, or system in an amount not to exceed the total of the amount authorized for the project and any unspent amount from projects authorized for the institution, entity, or system under this chapter. Requires the board of regents of the University of Houston System to notify THECB of an alternative project financed as provided by this subsection.

(e) Requires the board of regents of the University of Houston System, for financing of an alternative project as provided by Subsection (d) in an amount that exceeds \$25 million, to receive prior written approval from the governor and the LBB. Provides that a request for approval of financing of an alternative project is considered approved unless the governor or the LBB issues a written disapproval not later than the 30th business day after the date of the receipt of the request.

Sec. 55.1794. TEXAS STATE UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) Authorizes the board of regents of the Texas State University System, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip property and 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 of regents of the Texas State University System for the following institutions, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) Texas State University System, \$11,230,708 for construction of a field research station and dam repair;

(2) Lamar State College--Orange, \$37,435,695 for the replacement of an academic building to house general academic instruction and information technology services;

(3) Lamar State College--Port Arthur, \$37,435,695 for construction of an allied health and sciences building;

(4) Lamar Institute of Technology, \$37,435,695 for construction of a facility for workforce and allied health programs;

(5) Lamar University, \$44,922,833 for renovation of a library;

(6) Sam Houston State University:

(A) \$44,922,833 for construction of an allied health building located in Conroe, Texas; and

(B) \$44,922,833 for construction of an active learning center located in Huntsville, Texas; and

(7) Texas State University:

(A) \$111,921,496 for construction of a STEM classroom building located in San Marcos, Texas; and

(B) \$52,409,972 for construction of a health professions building located in Round Rock, Texas.

(b) Authorizes the board of regents of the Texas State University System to 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. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board of regents of the Texas State University System, if sufficient funds are not available to the board of regents of the Texas State University System to meet its obligations under this section, to 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 entity to carry out its duties and purposes.

(d) Authorizes the board of regents of the Texas State University System, in lieu of financing a project described by Subsection (a) for an institution of higher education, entity, or university system to finance in the manner prescribed by that subsection an alternative project for deferred maintenance, infrastructure, or construction at the same institution, entity, or system in an amount not to exceed the total of the amount authorized for the project and any unspent amount from projects authorized for the institution, entity, or system under this chapter. Requires the board of regents of the Texas State University System to notify THECB of an alternative project financed as provided by this subsection.

(e) Requires the board of regents of the Texas State University System, for financing of an alternative project as provided by Subsection (d) in an amount that exceeds \$25 million, to receive prior written approval from the governor and the LBB. Provides that a request for approval of financing of an alternative project is considered approved unless the governor or the LBB issues a written disapproval not later than the 30th business day after the date of the receipt of the request.

**Sec. 55.1795. UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL BONDS.**

(a) Authorizes the board of regents of the University of North Texas System, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip property and 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 of regents of the University of North Texas System for the following institutions, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) the University of North Texas, \$113,400,000 for construction of a science and technology research building;

(2) the University of North Texas at Dallas, \$100,000,000 for construction of a science building; and

(3) the University of North Texas Health Science Center at Fort Worth, \$59,897,111 for campus space optimization and realignment.

(b) Authorizes the board of regents of the University of North Texas System to 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 North Texas System, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board of regents of the University of North Texas System, if sufficient funds are not available to the board to meet its obligations under this section, to transfer funds among institutions, branches, and entities of the University of North 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.

(d) Authorizes the board of regents of the University of North Texas System, in lieu of financing a project described by Subsection (a) for an institution of higher education, entity, or university system, to finance in the manner prescribed by that subsection an alternative project for deferred maintenance, infrastructure, or construction at the same institution, entity, or system in an amount not to exceed the total of the amount authorized for the project and any unspent amount from projects authorized for the institution, entity, or system under this chapter. Requires the board of regents of the University of North Texas System to notify THECB of an alternative project financed as provided by this subsection.

(e) Requires the board of regents of the University of North Texas System, for financing of an alternative project as provided by Subsection (d) in an amount that exceeds \$25 million, to receive prior written approval from the governor and the LBB. Provides that a request for approval of financing of an alternative project is considered approved unless the governor or the LBB issues a written disapproval not later than the 30th business day after the date of the receipt of the request.

Sec. 55.1796. TEXAS WOMAN'S UNIVERSITY; ADDITIONAL BONDS. (a) Authorizes the board of regents of Texas Woman's University, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for a health sciences center, to be financed through the issuance of bonds in accordance with this subchapter, not to exceed the aggregate principal amount of \$100 million.

(b) Authorizes the board of regents of Texas Woman's University to pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of Texas Woman's University, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board of regents of Texas Woman's University, in lieu of financing a project described by Subsection (a) for Texas Woman's University, to finance in the manner prescribed by that subsection an alternative project for deferred maintenance, infrastructure, or construction at the university in an amount not to exceed the total of the amount authorized for the project and any



unspent amount from projects authorized for the university under this chapter. Requires the board of regents of Texas Woman's University to notify THECB of an alternative project financed as provided by this subsection.

(d) Requires the board of regents of Texas Woman's University, for financing of an alternative project as provided by Subsection (c) in an amount that exceeds \$25 million, to receive prior written approval from the governor and the LBB. Provides that a request for approval of financing of an alternative project is considered approved unless the governor or the LBB issues a written disapproval not later than the 30th business day after the date of the receipt of the request.

Sec. 55.1797. STEPHEN F. AUSTIN STATE UNIVERSITY; ADDITIONAL BONDS.

(a) Authorizes the board of regents of Stephen F. Austin State University, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for construction of an interdisciplinary and applied sciences building, to be financed through the issuance of bonds in accordance with this subchapter, not to exceed the aggregate principal amount of \$44,922,833.

(b) Authorizes the board of regents of Stephen F. Austin State University to pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of Stephen F. Austin State University, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board of regents of Stephen F. Austin State University, in lieu of financing a project described by Subsection (a) for Stephen F. Austin State University, to finance in the manner prescribed by that subsection an alternative project for deferred maintenance, infrastructure, or construction at the university in an amount not to exceed the total of the amount authorized for the project and any unspent amount from projects authorized for the university under this chapter. Requires the board of regents of Stephen F. Austin State University to notify THECB of an alternative project financed as provided by this subsection.

(d) Requires the board of regents of Stephen F. Austin State University, for financing of an alternative project as provided by Subsection (c) in an amount that exceeds \$25 million, to receive prior written approval from the governor and the LBB. Provides that a request for approval of financing of an alternative project is considered approved unless the governor or the LBB issues a written disapproval not later than the 30th business day after the date of the receipt of the request.

Sec. 55.1798. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a)

Authorizes the board of regents of the Texas Tech University System, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip property and 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 of regents of the Texas Tech University System for the following institutions, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) Angelo State University, \$36 million for a central plant maintenance and renovation;

(2) Texas Tech University:

(A) \$72 million for renovations to address deferred maintenance for campus buildings; and

(B) \$8 million for maintenance and program enhancement construction in Junction, Texas;

(3) Midwestern State University, \$44,922,833 for renovations to an existing building and other campus infrastructure upgrades;

(4) Texas Tech University Health Sciences Center:

(A) \$59,897,111 for maintenance and renovation of an existing facility; and

(B) \$18,717,847 for construction and equipment of the physician assistant facility in Midland, Texas; and

(5) Texas Tech University Health Sciences Center at El Paso, \$59,897,111 for construction of a dental school building.

(b) Authorizes the board of regents of the Texas Tech University System to 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. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board of regents of the Texas Tech University System, if sufficient funds are not available to the board of regents of the Texas Tech University System to meet its obligations under this section, to 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.

(d) Authorizes the board of regents of the Texas Tech University System, in lieu of financing a project described by Subsection (a) for an institution of higher education, entity, or university system, to finance in the manner prescribed by that subsection an alternative project for deferred maintenance, infrastructure, or construction at the same institution, entity, or system in an amount not to exceed the total of the amount authorized for the project and any unspent amount from projects authorized for the institution, entity, or system under this chapter. Requires the board of regents of the Texas Tech University System to notify THECB of an alternative project financed as provided by this subsection.

(e) Requires the board of regents of the Texas Tech University System, for financing of an alternative project as provided by Subsection (d) in an amount that exceeds \$25 million, to receive prior written approval from the governor and the LBB. Provides that a request for approval of financing of an alternative project is considered approved unless the governor or the LBB issues a written disapproval not later than the 30th business day after the date of the receipt of the request.

Sec. 55.1799. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL BONDS. (a) Authorizes the board of regents of Texas Southern University, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) \$22,800,000 for renovation of the Nabrit Building;

(2) \$2,400,000 for upgrades to signage and wayfinding;

(3) \$40 million for facility maintenance and renovation; and

(4) \$30 million for construction of a health and wellness center.

(b) Authorizes the board of regents of Texas Southern University to 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. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board of regents of Texas Southern University, in lieu of financing a project described by Subsection (a) for Texas Southern University, to finance in the manner prescribed by that subsection an alternative project for deferred maintenance, infrastructure, or construction at the university in an amount not to exceed the total of the amount authorized for the project and any unspent amount from projects authorized for the university under this chapter. Requires the board of regents of Texas Southern University to notify THECB of an alternative project financed as provided by this subsection.

(d) Requires the board of regents of Texas Southern University, for financing of an alternative project as provided by Subsection (c) in an amount that exceeds \$25 million, to receive prior written approval from the governor and the LBB. Provides that a request for approval of financing of an alternative project is considered approved unless the governor or the LBB issues a written disapproval not later than the 30th business day after the date of the receipt of the request.

Sec. 55.17991. TEXAS STATE TECHNICAL COLLEGE SYSTEM. (a) Authorizes the board of regents of the Texas State Technical College System, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter for the following entity and institutions, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) Texas State Technical College System, \$33,300,000 for the East Williamson County Higher Education Center expansion;

(2) Texas State Technical College--Fort Bend, \$41,800,000 for Fort Bend County campus expansion;

(3) Texas State Technical College--Harlingen, \$37,800,000 for Harlingen campus expansion;

(4) Texas State Technical College--Marshall, \$15 million for Marshall campus expansion;

(5) Texas State Technical College--North Texas, \$13.5 million for North Texas campus expansion;

(6) Texas State Technical College--West Texas, \$13.5 million for West Texas campus expansion; and

(7) Texas State Technical College--Waco, \$53,600,000 for Waco campus expansion.

(b) Authorizes the board of regents of the Texas State Technical College System to 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

Technical College System, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board of regents of the Texas State Technical College System, if sufficient funds are not available to the board of regents of the Texas State Technical College System to meet its obligations under this section, to transfer funds among institutions, branches, and entities of the Texas State Technical College 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.

(d) Authorizes the board of regents of the Texas State Technical College System, in lieu of financing a project described by Subsection (a) for an institution of higher education, entity, or system, to finance in the manner prescribed by that subsection an alternative project for deferred maintenance, infrastructure, or construction at the same institution, entity, or system in an amount not to exceed the total of the amount authorized for the project and any unspent amount from projects authorized for the institution, entity, or system under this chapter. Requires the board of regents of the Texas State Technical College System to notify THECB of an alternative project financed as provided by this subsection.

(e) Requires the board of regents of the Texas State Technical College System, for financing of an alternative project as provided by Subsection (d) in an amount that exceeds \$25 million, to receive prior written approval from the governor and the LBB. Provides that a request for approval of financing of an alternative project is considered approved unless the governor or the LBB issues a written disapproval not later than the 30th business day after the date of the receipt of the request.

SECTION 3. Amends Subchapter B, Chapter 55, Education Code, by adding Section 55.165, as follows:

Sec. 55.165. OVERSIGHT OF CERTAIN CAPITAL PROJECTS. (a) Provides that this section applies only to a capital project for which the issuance of bonds is specifically authorized under this chapter on or after October 1, 2021.

(b) Provides that, notwithstanding Section 2262.002(a) (relating to providing that Chapter 2262 (Statewide Contract Management) does not apply to an institution of higher education), Government Code, or any other law, a project to which this section applies is subject to oversight by the contract advisory team in accordance with Subchapter C (Contract Advisory Team), Chapter 2262, Government Code, and the governing board of the institution of higher education or university system for which a project was authorized is required to consult the contract advisory team before expending any funds for purposes of the project. Requires the contract advisory team to consider the model guidelines for procurement and construction developed by the capital project oversight advisory commission established by S.B. 52, 87th Legislature, 3rd Called Session, 2021, when consulting with a governing board for purposes of this subsection.

(c) Requires the governing board of an institution of higher education or university system authorized to issue bonds for a project to which this section applies, notwithstanding Section 322.020(f) (relating to defining "state agency"), Government Code, or any other law, to report any major contract as defined by Section 322.020(a) (relating to defining "major contract"), Government Code, that is entered into for purposes of the project to the major contracts database maintained by the LBB under Section 322.020 (Major Contracts Database), Government Code, not later than the 30th day after the date the contract is executed.

SECTION 4. CAPITAL PROJECT OVERSIGHT ADVISORY COMMISSION. (a) Provides that the Capital Project Oversight Advisory Commission (commission) is composed of nine members as follows:

- (1) the chair of the Senate Committee on Higher Education;
- (2) one member of the Texas Senate appointed by the lieutenant governor;
- (3) the chair of the House Committee on Higher Education;
- (4) one member of the Texas House of Representatives (house) appointed by the speaker of the house;
- (5) one member of the public appointed by the lieutenant governor;
- (6) one member of the public appointed by the speaker of the house;
- (7) the chair of the Texas Facilities Commission;
- (8) the commissioner of higher education; and
- (9) one member of the public appointed by the governor to serve as chair of the commission.

(b) Requires that appointments to the commission be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointee.

(c) Requires the commission, in consultation with the LBB and Comptroller of Public Accounts of the State of Texas, to develop model guidelines to be considered by public institutions of higher education and university systems for procurement and construction related to capital projects for which the issuance of bonds is specifically authorized under Chapter 55, Education Code.

(d) Authorizes the commission to request reports and other information from THECB relating to capital projects described by Subsection (c) of this section.

(e) Requires the commission, not later than March 31, 2022, to develop the model guidelines required by Subsection (c) of this section.

(f) Requires the commission, not later than December 1, 2022, to prepare and submit a report to the governor, lieutenant governor, and speaker of the house on the model guidelines developed under Subsection (c) of this section and recommendations for legislative or other action.

(g) Provides that the commission is abolished effective December 31, 2022.

SECTION 5. Provides that this Act does not affect any authority or restriction regarding the activities that a public institution of higher education is authorized to conduct in connection with a facility financed by bonds authorized by this Act.

SECTION 6. Effective date: the 91st day after the last day of the legislative session.