

BILL ANALYSIS

Senate Research Center

S.B. 1468
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Business & Commerce
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas A&M-RELLIS serves as a national hub for cutting-edge research and technological advancement, offering proving grounds to an extensive array of innovative technologies. In order to meet the future energy demands of Texas and cement the state's leading role in the energy industry, the Texas A&M University System (TAMUS) is proposing to create an Energy Proving Ground on its RELLIS campus that would provide a platform for companies to test the latest nuclear reactors and other technologies. Currently, however, the TAMUS board of regents does not have the express statutory authority to "construct" and "acquire" electrical generating facilities, nuclear or otherwise. The board is only granted the authority to improve and equip existing central power plants on its property. S.B. 1468 seeks to ensure the viability of the Energy Proving Ground by providing the TAMUS board of regents the express statutory authority to "construct" and "acquire" power plants located on university system property in Brazos County.

(Original Author's/Sponsor's Statement of Intent)

S.B. 1468 amends current law relating to the authority of the board of regents of the Texas A&M University System to construct, acquire, improve, extend, and equip utility systems located on university system property.

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 Section 85.24, Education Code, as follows:

Sec. 85.24. UTILITIES. (a) Authorizes the board of regents of the Texas A&M University System (board) to improve and equip existing power plants and to construct, acquire, improve, and equip steam plants and additions to steam plants. Authorizes the board, for the purposes of this section, rather than for the purposes of this subsection, to acquire property for the institutions under its control, when the cost type of construction, capacity, and plans and specifications have been approved by the board. Provides that, as used in this section, rather than subsection, "steam plants" does not include electrical generating facilities, but "power plants," rather than "central power plants," does include electrical generating facilities.

Deletes existing text authorizing the board to, from time to time, improve and equip existing central power plants and to construct, acquire, improve and equip steam plants and additions to them, and to acquire land for these purposes for the institutions under its control, when the total cost, type of construction, capacity, and plans and specifications have been approved by the board. Makes conforming and nonsubstantive changes.

(b) Authorizes the board to construct, extend, and improve the water systems and sewer systems for all institutions under its control when the total cost, type of

construction, capacity, and plans and specifications have been approved by the board. Makes a conforming and nonsubstantive change.

(c) Authorizes the board to provide water, sewer, steam, power, electricity, or any combination of those services from the plants and other facilities located at each institution to all buildings or facilities that have been or may be constructed at each institution, and to determine the amount to be charged as a part of the maintenance and operation expense of those buildings or facilities for the service or services. Authorizes the board to allocate the cost of providing, rather than furnishing, the services to revenue-producing buildings and facilities and to other buildings and facilities at the institutions.

Deletes existing text authorizing the board to furnish water, sewer, steam, power, electricity, or any or all of those services from the power and steam plant or plants and other facilities located at each institution to any or all dormitories, kitchens and dining halls, hospitals, student activity buildings, gymnasiums, athletic buildings and stadiums, the dormitory for help, laundry, and other buildings or facilities that may have been or may be constructed at each institution, and authorizes the board to determine the amount to be charged as a part of the maintenance and operation expense of those buildings or facilities for the service or services.

(d) Authorizes the board, in addition to the authority granted to the board under Subsections (a) and (b), to construct and acquire power plants, and additions to power plants, located on university system property in Brazos County and to acquire water systems and sewer systems located on university system property in Brazos County.

SECTION 2. Effective date: upon passage or September 1, 2025.