

By: Bell of Montgomery

H.B. No. 718

A BILL TO BE ENTITLED

AN ACT

relating to prohibiting a public institution of higher education from partnering with certain private entities for the construction of a student housing facility.

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

SECTION 1. Subchapter 2, Chapter 51, Education Code, is amended by adding Section 51.9273 to read as follows:

Sec. 51.9273. CERTAIN PARTNERSHIPS TO CONSTRUCT STUDENT HOUSING FACILITIES PROHIBITED. (a) In this section, "institution of higher education" has the meaning assigned by Section 61.003.

(b) An institution of higher education may not enter into a contract to partner with a private entity to construct a student housing facility if the entity has a pending action or lien against the entity or entity's property relating to a claim for nonpayment of a contractor, subcontractor, or vendor. This section does not apply to a claim for nonpayment if the entity has provided a payment bond to cover the claim.

SECTION 2. Section 51.9273, Education Code, as added by this Act, applies only to a contract entered into on or after the effective date of this Act. A contract entered into before the effective date of this Act is governed by the law in effect on the date the contract was entered into, and the former law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2025.