

By: Bell of Montgomery

H.B. No. 718

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to prohibiting a public institution of higher education  
3 from partnering with certain private entities for the construction  
4 of a student housing facility.

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

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

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

11 (b) An institution of higher education may not enter into a  
12 contract to partner with a private entity to construct a student  
13 housing facility if the entity has a pending action or lien against  
14 the entity or entity's property relating to a claim for nonpayment  
15 of a contractor, subcontractor, or vendor.

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

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