

1-1 By: Bell of Montgomery (Senate Sponsor - Parker) H.B. No. 718  
1-2 (In the Senate - Received from the House April 30, 2025;  
1-3 May 1, 2025, read first time and referred to Committee on Education  
1-4 K-16; May 25, 2025, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 9, Nays 0; May 25, 2025,  
1-6 sent to printer.)

1-7	COMMITTEE VOTE				
1-8		Yea	Nay	Absent	PNV
1-9	Creighton	X			
1-10	Campbell	X			
1-11	Bettencourt	X			
1-12	Hagenbuch			X	
1-13	Hinojosa of Nueces	X			
1-14	King	X			
1-15	Menéndez	X			
1-16	Middleton	X			
1-17	Parker	X			
1-18	Paxton	X			
1-19	West			X	

1-20 COMMITTEE SUBSTITUTE FOR H.B. No. 718 By: Paxton

1-21 A BILL TO BE ENTITLED  
1-22 AN ACT

1-23 relating to prohibiting a public institution of higher education  
1-24 from partnering with certain private entities for the construction  
1-25 of a student housing facility.

1-26 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-27 SECTION 1. Subchapter 2, Chapter 51, Education Code, is  
1-28 amended by adding Section 51.9273 to read as follows:

1-29 Sec. 51.9273. CERTAIN PARTNERSHIPS TO CONSTRUCT STUDENT  
1-30 HOUSING FACILITIES PROHIBITED. (a) In this section, "institution  
1-31 of higher education" has the meaning assigned by Section 61.003.

1-32 (b) An institution of higher education may not enter into a  
1-33 contract to partner with a private entity to construct a student  
1-34 housing facility if the entity has a pending action or lien against  
1-35 the entity or entity's property relating to a claim for nonpayment  
1-36 of a contractor, subcontractor, or vendor. This section does not  
1-37 apply to a claim for nonpayment if the entity:

1-38 (1) has provided a payment bond to cover the claim; or  
1-39 (2) contests in good faith the validity or accuracy of  
1-40 the claim.

1-41 SECTION 2. Section 51.9273, Education Code, as added by  
1-42 this Act, applies only to a contract entered into on or after the  
1-43 effective date of this Act. A contract entered into before the  
1-44 effective date of this Act is governed by the law in effect on the  
1-45 date the contract was entered into, and the former law is continued  
1-46 in effect for that purpose.

1-47 SECTION 3. This Act takes effect September 1, 2025.

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