

By: Dyson, Guillen, Harris, Wilson, Lalani

H.B. No. 3701

Substitute the following for H.B. No. 3701:

By: Wilson

C.S.H.B. No. 3701

A BILL TO BE ENTITLED

AN ACT

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.

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

SECTION 1. Section 85.24, Education Code, is amended to read as follows:

Sec. 85.24. UTILITIES. (a) The board ~~[from time to time]~~ may improve and equip existing ~~[central]~~ power plants and may construct, acquire, improve, and equip steam plants and additions to steam plants. For the purposes of this subsection, ~~[them, and]~~ the board may acquire property ~~[land for these purposes]~~ for the institutions under its control~~[7]~~ when the total cost, type of construction, capacity, and plans and specifications have been approved by the board. As used in this section ~~[subsection]~~, "steam plants" does not include electrical generating facilities, but "[~~central~~] power plants" does include electrical generating facilities.

(b) The board ~~[from time to time]~~ may construct, extend, and improve the water systems and ~~[7]~~ sewer systems~~[7 or both7]~~ for ~~[any or]~~ all institutions under its control~~[7]~~ when the total cost, type of construction, capacity, and plans and specifications have been approved by the board.

(c) The board may provide ~~[furnish]~~ water, sewer, steam,

1 power, electricity, or any combination [~~or all~~] of those services
2 from the [~~power and steam plant or~~] plants and other facilities
3 located at each institution to [~~any or~~] all [~~dormitories, kitchens~~
4 ~~and dining halls, hospitals, student activity buildings,~~
5 ~~gymnasiums, athletic buildings and stadiums, the dormitory for~~
6 ~~help, laundry, and other~~] buildings or facilities that [~~may~~] have
7 been or may be constructed at each institution, and may determine
8 the amount to be charged as a part of the maintenance and operation
9 expense of those buildings or facilities for the service or
10 services. The board may allocate the cost of providing
11 [~~furnishing~~] the services to revenue-producing buildings and
12 facilities and to other buildings and facilities at the
13 institutions. The board may pledge the net revenues from the
14 amounts thus received for the services to pay the principal of and
15 interest on, and to create and maintain the reserve for, the
16 negotiable revenue bonds issued for the purpose of constructing,
17 acquiring, improving, extending, or equipping the power and steam
18 plants, or additions thereto, or other facilities, and may secure
19 the bonds additionally by pledging rentals, rates, charges, and
20 fees for the use or availability of all or any property, buildings,
21 structures, activities, operations, or facilities, of any nature,
22 which may be fixed and collected from all or any designated part of
23 the students enrolled in the institution or institutions or from
24 others in the amounts and in the manner determined and provided by
25 the board in the resolution authorizing the issuance of the bonds.

26 (d) In addition to the authority granted to the board under
27 Subsections (a) and (b), the board may construct and acquire power

1 plants, and additions to power plants, located on university system
2 property in Brazos County and may acquire water systems and sewer
3 systems located on university system property in Brazos County.

4 SECTION 2. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2025.