

SENATE AMENDMENTS
2nd Printing

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 Z, 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.

ADOPTED

MAY 28 2025

Latey Law
Secretary of the Senate

By: Tan Parker

H.B. No. 718

Substitute the following for H.B. No. 718:

By: Mydell Law

C.S.H.B. No. 718

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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. This section does not
16 apply to a claim for nonpayment if the entity:

17 (1) has provided a payment bond to cover the claim; or

18 (2) contests in good faith the validity or accuracy of
19 the claim.

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

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LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 29, 2025

TO: Honorable Dustin Burrows, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB718 by Bell, Cecil (Relating to prohibiting a public institution of higher education from partnering with certain private entities for the construction of a student housing facility.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 710 Texas A&M University System Administrative and General Offices, 717 Texas Southern University, 719 Texas State Technical College System Administration, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 775 Texas Woman's University System, 781 Higher Education Coordinating Board, 783 University of Houston System Administration, 966 Howard College, 978 San Jacinto College

LBB Staff: JMc, SD, NC, FV, LBO, GO

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 23, 2025

TO: Honorable Brandon Creighton, Chair, Senate Committee on Education K-16

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB718 by Bell, Cecil (relating to prohibiting a public institution of higher education from partnering with certain private entities for the construction of a student housing facility.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

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Local Government Impact

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Source Agencies: 710 Texas A&M University System Administrative and General Offices, 717 Texas Southern University, 719 Texas State Technical College System Administration, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 775 Texas Woman's University System, 781 Higher Education Coordinating Board, 783 University of Houston System Administration, 966 Howard College, 978 San Jacinto College

LBB Staff: JMc, NC, FV, LBO, GO

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 21, 2025

TO: Honorable Brandon Creighton, Chair, Senate Committee on Education K-16

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB718 by Bell, Cecil (Relating to prohibiting a public institution of higher education from partnering with certain private entities for the construction of a student housing facility.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 710 Texas A&M University System Administrative and General Offices, 717 Texas Southern University, 719 Texas State Technical College System Administration, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 775 Texas Woman's University System, 781 Higher Education Coordinating Board, 783 University of Houston System Administration, 966 Howard College, 978 San Jacinto College

LBB Staff: JMc, FV, LBO, GO

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 24, 2025

TO: Honorable Terry M. Wilson, Chair, House Committee on Higher Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB718 by Bell, Cecil (Relating to prohibiting a public institution of higher education from partnering with certain private entities for the construction of a student housing facility.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

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