

## BILL ANALYSIS

Senate Research Center

H.B. 2329  
By: Morrison (Ogden)  
Finance  
5/19/2005  
Engrossed

### AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

H.B. 2329 provides for the issuance of revenue bonds for institutions in The Texas A&M University System, The University of Texas System, the University of Houston System, the Texas Tech University System, the Texas State University System, the University of North Texas System, Texas Women's University, Midwestern State University, Stephen F. Austin State University, and Texas Southern University.

### RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 55, Education Code, by adding Section 55.1751, 55.1752, 55.1753, 55.1754, 55.1755, 55.1756, 55.1757, 55.1758, 55.1759, and 55.17591, as follows:

Sec. 55.1751. THE TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL BONDS.  
(a) Authorizes the board of regents (board) of The Texas A&M University System (Texas A&M System), in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter, and in accordance with a systemwide revenue financing program adopted by the board for the following institutions not to exceed the following aggregate principal amounts for the projects specified as follows:

- (1) Prairie View A&M University:
  - (A) \$3,656,390 for a solar observatory; and
  - (B) \$9,946,577 for the Child and Family Development Center;
- (2) Tarleton State University:
  - (A) \$8 million for the Tarleton State University Dairy Center; and
  - (B) \$48 million for the Tarleton State University nursing program facilities, the Tarleton Research Park, and the Tarleton State University central physical plant and campus piping loop for distribution of utilities;
- (3) Tarleton State University System Center—Central Texas, \$45 million for educational facilities for the Tarleton State University System Center--Central Texas at the location that may become Texas A&M University--Central Texas;
- (4) Texas A&M University—Commerce, \$37,770,000 for a music building and for the James G. Gee Library;
- (5) Texas A&M University—Corpus Christi, \$58 million for a kinesiology and wellness center, a college of business academic facility, and facilities for the distribution of utilities;
- (6) Texas A&M University—Kingsville:
  - (A) \$80 million for System Center—San Antonio for educational-related facilities at the location proposed for Texas A&M University—San Antonio;
  - (B) \$26 million for the South Texas natural resource management facilities;
  - (C) \$22 million for campuswide improvements; and

- (D) \$6 million for the music building addition;
- (7) Texas A&M University—Texarkana, \$65 million for educational and support facilities;
- (8) West Texas A&M University, \$28,580,500 for educational facilities;
- (9) The Texas A&M University Health Science Center:
  - (A) \$7,250,000 for the dentistry sciences building of the Baylor College of Dentistry; and
  - (B) \$40 million for educational facilities for the College of Medicine;
- (10) Texas A&M University, \$100 million for the Emerging Technologies and Economic Development Building;
- (11) Texas A&M University at Galveston, \$50 million for a new science building; and
- (12) Texas A&M International University:
  - (A) \$26 million for the student success center;
  - (B) \$10 million for a border center for homeland security;
  - (C) \$8 million for infrastructure development; and
  - (D) \$4 million for a support services facility.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the Texas A&M System, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board, if sufficient funds are not available to meet its obligations under this section, to transfer funds among institutions, branches, and entities of the Texas A&M System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Sec. 55.1752. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL BONDS. (a) Authorizes the board of regents (board) of The University of Texas System (UT System), in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter, and in accordance with a systemwide revenue financing program adopted by the board for the following institutions not to exceed the following aggregate principal amounts for the projects specified as follows:

- (1) The University of Texas at Arlington, \$76,600,000 for educational and related facilities, including an Engineering Research Building and the renovation of three engineering facilities;
- (2) The University of Texas at Austin, \$75 million for the Experimental Science Building;
- (3) The University of Texas at Brownsville, \$46,300,000 for educational and related facilities, including a classroom, laboratory, and office building;
- (4) The University of Texas at Dallas, \$55 million for educational and related facilities, including an administration building and renovation of Green Hall and Jonsson Hall;
- (5) The University of Texas at El Paso:
  - (A) \$65 million for educational and related facilities, including existing facilities in need of renovation, repair, or completion; and
  - (B) \$70 million for educational and related facilities, including facilities for the College of Health Sciences complex;
- (6) The University of Texas—Pan American:
  - (A) \$7,500,000 for The University of Texas—Pan American South Texas College Multi-Institution Teaching Center to address the need for facilities in the Rio Grande Valley high growth corridor; and
  - (B) \$29,900,000 for the construction and renovation of academic infrastructure to accommodate student and faculty population growth;

- (7) The University of Texas of the Permian Basin, \$54 million for educational and related facilities, including a campus convocation center and a science and technology complex;
- (8) The University of Texas at San Antonio:
  - (A) \$50 million for the Loop 1604 Campus Academic Building (phase IV);
  - (B) \$72 million for an engineering building (phase II);
  - (C) \$50 million for the downtown campus architecture building; and
  - (D) \$17 million for completion of Phase V construction at the downtown campus;
- (9) The University of Texas Southwestern Medical Center at Dallas, \$63 million for facilities to be used primarily to conduct biomedical research;
- (10) The University of Texas Medical Branch at Galveston, \$57 million for facilities for the National Biocontainment Laboratory;
- (11) The University of Texas Health Science Center at Houston:
  - (A) \$41,100,000 for an adult stem cell research center at the Texas Medical Center to conduct stem cell and related biomedical research in collaboration with other participating institutions and entities;
  - (B) \$45 million for educational and related facilities for The University of Texas Dental Branch; and
  - (C) \$15 million for educational and related facilities;
- (12) The University of Texas Health Science Center at San Antonio:
  - (A) \$60 million for the South Texas Research Tower;
  - (B) \$20 million for a center for academic medicine and clinical research; and
  - (C) \$20 million for a faculty office building;
- (13) The University of Texas Health Science Center at Tyler, \$32,400,000 for educational and related facilities, including an academic center;
- (14) The University of Texas M. D. Anderson Cancer Center, \$40 million for educational and support facilities; and
- (15) The University of Texas at Tyler, \$51 million for educational and support facilities.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the UT System, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board, if sufficient funds are not available to meet its obligations under this section, to transfer funds among institutions, branches, and entities of the UT System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Sec. 55.1753. UNIVERSITY OF HOUSTON SYSTEM; ADDITIONAL BONDS. (a) Authorizes the board of regents (board) of the University of Houston System (UH System), in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter, and in accordance with a systemwide revenue financing program adopted by the board for the following institutions not to exceed the following aggregate principal amounts for the projects specified as follows:

- (1) the University of Houston, \$60 million;
- (2) the University of Houston—Downtown, \$30 million;
- (3) the University of Houston—Clear Lake, \$38 million; and
- (4) the University of Houston—Victoria, \$30 million.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the UH System, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board, if sufficient funds are not available to meet its obligations under this section, to transfer funds among institutions, branches, and entities of the UH System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Sec. 55.1754. TEXAS STATE UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) Authorizes the board of regents (board) of the Texas State University System (Texas State System), in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter, and in accordance with a systemwide revenue financing program adopted by the board for the following institutions not to exceed the following aggregate principal amounts for the projects specified as follows:

- (1) Lamar University, \$40 million for educational facilities;
- (2) Lamar Institute of Technology, \$4,200,000 for educational facilities;
- (3) Lamar State College—Orange, \$3,500,000 for educational facilities;
- (4) Lamar State College—Port Arthur, \$3,500,000 for educational facilities;
- (5) Sul Ross State University, \$7,500,000 for facilities in the Rio Grande Valley high growth corridor; and
- (6) Texas State University—San Marcos:
  - (A) \$45,461,248 for infrastructure repairs and improvements;
  - (B) \$47,700,000 for an undergraduate academic center;
  - (C) \$50 million for a fine arts and communications center; and
  - (D) \$40 million for facilities for educational programs and supporting activities at the Round Rock Higher Education Center in Williamson County and for facilities to be used by other educational entities to further institutional efficiency and coordinate educational programs at the center.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the Texas State System, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board, if sufficient funds are not available to meet its obligations under this section, to transfer funds among institutions, branches, and entities of the Texas State System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Sec. 55.1755. UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL BONDS. (a) Authorizes the board of regents (board) of the University of North Texas System (UNT System), in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter, and in accordance with a systemwide revenue financing program adopted by the board for the following institutions not to exceed the following aggregate principal amounts for the projects specified as follows:

- (1) the University of North Texas, \$94 million for educational and support facilities; and

(2) the University of North Texas Health Science Center at Fort Worth, \$42,100,000 for campus expansion and construction of a public health education building.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the UNT System, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board, if sufficient funds are not available to meet its obligations under this section, to transfer funds among institutions, branches, and entities of the UNT System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Sec. 55.1756. TEXAS WOMAN'S UNIVERSITY; ADDITIONAL BONDS. (a) Authorizes the board of regents (board) of Texas Woman's University, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for Texas Woman's University, to be financed through the issuance of bonds in accordance with this subchapter, and in an aggregate principal amount not to exceed \$44,500,000.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of Texas Woman's University, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Sec. 55.1757. MIDWESTERN STATE UNIVERSITY; ADDITIONAL BONDS. (a) Authorizes the board of regents (board) of Midwestern State University, in addition to the other authority granted by this subchapter, to finance utility infrastructure and campus renovations at Midwestern State University, through the issuance of bonds in accordance with this subchapter, and in an aggregate principal amount not to exceed \$10,395,000.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of Midwestern State University, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Sec. 55.1758. STEPHEN F. AUSTIN STATE UNIVERSITY; ADDITIONAL BONDS. (a) Authorizes the board of regents (board) of Stephen F. Austin State University, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, at Stephen F. Austin State University, to be financed through the issuance of bonds in accordance with this subchapter, and in an aggregate principal amount not to exceed \$65,450,000.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of Stephen F. Austin State University, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Sec. 55.1759. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) Authorizes the board of regents (board) of the Texas Tech University System (Texas Tech System), in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and

related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter, and in accordance with a systemwide revenue financing program adopted by the board for the following institutions not to exceed the following aggregate principal amounts for the projects specified as follows:

- (1) Texas Tech University Health Sciences Center:
  - (A) \$13,500,000 for educational and related facilities in the city of Midland for the Permian Basin OB-GYN residency program, the physician's assistant program, and the internal medicine residency program;
  - (B) \$9 million for the medical science building for the Texas Tech University Health Sciences Center in El Paso; and
  - (C) \$11,250,000 for the pharmacy education building expansion for the Texas Tech University Health Sciences Center in Amarillo; and
- (2) Texas Tech University, \$56 million for educational and related facilities including a College of Business building, renovation of classroom buildings, and an addition to the School of Law building.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the Texas Tech System, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Authorizes the board, if sufficient funds are not available to meet its obligations under this section, to transfer funds among institutions, branches, and entities of the Texas Tech System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Sec. 55.17591. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL BONDS. (a) Authorizes the board of regents (board) of Texas Southern University, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for a multipurpose university center, a fine arts building, a building for the school of technology, the Robert J. Terry Library, and deferred maintenance of campus facilities and infrastructure, to be financed through the issuance of bonds in accordance with this subchapter, and in an aggregate principal amount not to exceed \$109,560,000.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of Texas Southern University, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

SECTION 2. Amends Section 61.0572(e), Education Code, to provide that approval of the board is not required to acquire real property that is financed by bonds issued under Sections 55.1751-55.17591, Education Code, with certain exceptions.

SECTION 3. Amends Section 61.058(b), Education Code, to make a conforming change.

SECTION 4. Amends Section 1371.001(4), Government Code, to redefine "issuer."

SECTION 5. Effective date: upon passage or September 1, 2005.