

BILL ANALYSIS

Senate Research Center

S.B. 12
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Finance
8/1/2005
As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

S.B. 12 provides for the issuance of revenue bonds for numerous institutions of higher education.

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 Sections 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 (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 certain institutions, not to exceed certain aggregate principal amounts for certain projects.

(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 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 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 a systemwide revenue financing program adopted by the board for certain institutions, not to exceed certain aggregate principal amounts for certain projects.

(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 certain institutions, 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, not to exceed certain aggregate principal amounts.

(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 (TSU System), in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or 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 certain institutions not to exceed certain aggregate principal amounts for certain projects.

(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 TSU 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 TSU 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 certain institutions, not to exceed certain aggregate principal amounts for certain projects.

(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. (a) Authorizes the board of regents (board) of Texas Woman's University (TWU), 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 TWU, be financed through the issuance of bonds in accordance with this subchapter and in accordance with this subchapter 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 an institution, branch, or entity of the TWU, 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 (MSU), in addition to the other authority granted by this subchapter, to issue bonds in accordance with this subchapter in an aggregate principal amount not to exceed \$10,395,000 to finance utility infrastructure and campus renovations at MSU.

(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 MSU, 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. (a) Authorizes the board of regents (board) of Stephen F. Austin State University (SFA), 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 SFA, to be financed through the issuance of bonds in accordance with this subchapter 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 SFA, 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 (TTU System), in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, or other 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, not to exceed certain aggregate principal amounts for certain projects.

(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 TTU 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 TTU 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 the 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 certain campus facilities and infrastructure, to be financed through the issuance of bonds in accordance with this subchapter 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 make a conforming change.

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 the 91st day after adjournment.