

BILL ANALYSIS

Senate Research Center

S.B. 1962
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Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 153, enacted during the 79th Legislature, 3rd Called Session, 2005, authorized the board of regents for The Texas A&M University System to undertake certain projects in system facilities with funding from the issuance of bonds. One of the entities left out of this bill was Prairie View A&M University, which resultantly does not have the authorization or funding to undertake its own deferred maintenance projects.

As proposed, S.B. 1962 authorizes Prairie View A&M University to issue \$15 million in tuition revenue bonds for deferred maintenance projects.

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 55.1761, as follows:

Sec. 55.1761. THE TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL BONDS.

(a) Authorizes the board of regents of The Texas A&M University System (board; TAMU system), in addition to other authority granted under Subchapter B (Revenue Bonds and Facilities), Chapter 55, Education Code, to take certain actions related to the infrastructure for Prairie View A&M University for certain projects to be financed by issuing certain bonds in accordance with this subchapter (bonds) in an aggregate principal amount not to exceed \$15 million for infrastructure deferred maintenance.

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

(c) Authorizes the board to transfer funds in an equitable and efficient manner among institutions, branches, and entities of the TAMU System for certain purposes if sufficient funds are not available to the board to meet its obligations under this section.

SECTION 2. Amends Section 61.0572(e), Education Code, to include Section 55.1761, Education Code, under the list of sections relating to the issuance of bonds that are authorized to be used to acquire real property without board approval, with certain exceptions.

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

SECTION 4. Effective date: upon passage or September 1, 2007.