

- SUBJECT:** Authorizing the issuance of tuition revenue bonds
- COMMITTEE:** Higher Education — committee substitute recommended
- VOTE:** 9 ayes — Murphy, Pacheco, Cortez, Frullo, Muñoz, Ortega, Parker, C. Turner, J. Turner
- 0 nays
- 2 absent — P. King, Raney
- WITNESSES:** For — (*Registered, but did not testify:* Scott Stewart, American Council of Engineering Companies of Texas; William Lynch, Coalition of East Tarrant Chambers of Commerce; Ben Stratmann, Dallas Regional Chambr; Patrick Brophay, North Texas Commission; Leticia Van de Putte, San Antonio Chamber of Commerce; Martin Gutierrez, San Antonio Hispanic Chamber of Commerce; J.D. Hale, Texas Association of Builders; Mike Meroney, Texas Association of Manufacturers; Gilbert Zavala, The Greater Austin Chamber of Commerce)
- Against — (*Registered, but did not testify:* Calvin Tillman)
- On — Emily Cormier, Texas Higher Education Coordinating Board; Greg Owens, Legislative Budget Board
- BACKGROUND:** Some have suggested that the need for public university systems to make capital improvements on their campuses could be addressed through the issuance of revenue bonds.
- DIGEST:** CSHB 1530 would authorize the boards of regents of public institutions of higher education specified in the bill to acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities for capital projects to be financed through the issuance of bonds and in accordance with an institution's system-wide revenue financing program, if applicable.

The bill would authorize the issuance of \$4.3 billion in tuition revenue bonds for the following institutions and systems:

- The Texas A&M University System, excluding Texas A&M University-Central Texas, Texas A&M International University, Texas A&M University-Texarkana, and West Texas A&M University;
- The University of Texas System;
- the University of Houston System, excluding the University of Houston-Victoria;
- the Texas State University System, excluding Lamar University, Sul Ross State University, and Sul Ross State University Rio Grande College;
- the University of North Texas System;
- Texas Woman's University;
- Midwestern State University;
- Stephen F. Austin State University;
- the Texas Tech University System;
- Texas Southern University; and
- the Texas State Technical College System, excluding Texas State Technical College-Waco.

The bill would establish, for each institution, the specified projects that could be financed by the bonds and the maximum aggregate principal amounts that could be financed for each project.

The bill would take effect September 1, 2021.

NOTES:

According to the Legislative Budget Board, the bill would have an estimated negative impact of \$685 million to general revenue through fiscal 2023.