

BILL ANALYSIS

Senate Research Center

S.B. 696
By: Ellis
Finance
3-18-97
As Filed

DIGEST

Currently, bonds issued by higher education facilities corporations are payable solely from revenues received from the borrowing university or college, and are not the debts of the State of Texas or any political subdivision of the state. This bill authorizes nonprofit corporations which own and operate certain schools to issue bonds to finance or refinance educational facilities to be used by certain schools.

PURPOSE

As proposed, S.B. 696 authorizes nonprofit corporations which own and operate certain schools to issue bonds to finance or refinance educational facilities to be used by certain schools.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 53C, Education Code, by adding Section 53.49, as follows:

Sec. 53.49. BONDS FOR CERTAIN SCHOOLS OWNED AND OPERATED BY NONPROFIT CORPORATIONS. Authorizes certain corporations to issue bonds for certain schools to finance or refinance educational facilities. Authorizes bonds to be payable from and secured by assets for that purpose.

SECTION 2. Emergency clause.
Effective date: upon passage.