

BILL ANALYSIS

Senate Research Center
79R8806 T

S.B. 1012
By: Harris
Finance
4/15/2005
As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

As a result of significant increases in student enrollment, faculty hires, and research funding, there now exists a serious space crisis in the College of Engineering at The University of Texas at Arlington (UT-Arlington). With recent and planned hires, the college will literally be out of space and unable to accommodate any future growth of faculty or students and will be severely restricted in their efforts to improve the research profile of UT-Arlington and its quest for Tier I research status. Therefore, a new building is the only long-term solution to the space needs over the next decade.

S.B. 1012 authorizes the issuance of revenue bonds for UT-Arlington to build a new Engineering Research Building and renovate three existing engineering facilities.

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 55.175, as follows:

Sec. 55.175. 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 property, buildings, structures, or other facilities, including roads and related infrastructure, for The University of Texas at Arlington (UT-Arlington), including a new Engineering Research Building and the renovation of three engineering facilities, to be financed by the issuance of bonds in accordance with this subchapter, including bonds in accordance with a systemwide revenue financing program, in the aggregate principal amount of \$76.6 million.

(b) Authorizes the board to pledge irrevocably to the payment of bonds authorized by Subsection (a) 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, or 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 constitutional and statutory duties and purposes.

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 Section 55.175, 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, 2005.