

BILL ANALYSIS

Senate Research Center

S.B. 1078
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Finance
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, the Texas Legislature must authorize the issuance of revenue bonds by state universities. Enrollment at The University of Texas at San Antonio (UTSA) was 18,000 students just five years ago, but passed 26,000 in fall 2004. This has resulted in an increasing space shortage at UTSA, which continues to lead Texas' public universities with the least amount of educational and general space per full-time-equivalent student.

As proposed, S.B. 1078 authorizes the issuance of revenue bonds to construct a multipurpose classroom and office building to include lecture halls, classrooms, teaching laboratories, faculty and student offices, and student support facilities. This building would include sophisticated information technology features.

An additional building will help UTSA address its space deficiency in order to "close the gaps" in participation and success. This building will enhance student involvement and success by providing vital additional facilities for the development of additional academic programs (participation). New space for general academic classrooms and faculty offices will allow more students opportunities to earn degrees (success).

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 San Antonio, including the Loop 1604 Campus Academic Building Phase IV, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount of \$50 million.

(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.

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. Effective date: upon passage or September 1, 2005.