

## **BILL ANALYSIS**

Senate Research Center  
79R5716 JRJ-D

S.B. 700  
By: Hinojosa  
Finance  
3/11/2005  
As Filed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Chapter 55, Education Code, allows universities to issue revenue bonds or notes to finance permanent improvement for their institutions. Currently, Texas A&M University Corpus Christi has a space deficiency of over 88,000 assignable square feet, taking into consideration the facilities being constructed.

As proposed, S.B. 700 authorizes tuition revenue bonds for the construction of a kinesiology and wellness center, a college of business academic facility, and a utility access loop.

### **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 55.17513, as follows:

Sec. 55.17513. TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) Authorizes the board of regents (board) of the Texas A&M University System, in addition to the other authority granted by this subchapter, to acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for a kinesiology and wellness center, a college of business academic facility, and distribution of utilities for Texas A&M University-Corpus Christi, 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 not to exceed \$58 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 Texas A&M University 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 Texas A&M University 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. Effective date: September 1, 2005.