

## BILL ANALYSIS

Senate Research Center  
79R7324 KEL-F

S.B. 942  
By: Staples  
Finance  
3/22/2005  
As Filed

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

Currently, The University of Texas Health Center at Tyler (UTHCT) does not have the requisite classroom space to support UTHCT's growing educational endeavors, including its efforts to acquire limited degree-granting authority that would enhance the educational opportunities for students in East Texas. This degree-granting authority will strengthen UTHCT's graduate degree work with other institutions of higher education, support its current medical education programs, result in a workforce trained to treat certain diseases, and support the research endeavors at UTHCT.

UTHCT is pursuing tuition revenue bond (TRB) funding for an academic center in the amount of \$34.4 million. Projected uses of this facility include classrooms; a medical library of sufficient size to support the expanding portfolio of educational activities; conference rooms to support these programs; an auditorium large enough to accommodate existing and projected near-term demand; offices; and related support areas. Also, TRB funds will be used to renovate existing facilities as space becomes available when functions and staff are relocated to the academic center.

### 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 55.17525, as follows:

Sec. 55.17525. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL BONDS.

(a) Authorizes the board of regents of The University of Texas System (board), 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 educational and related facilities, including an academic center, at The University of Texas Health Science Center at Tyler, 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 \$34.4 million.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by this section all or any part the revenue funds of an institution, branch, or entity of The University of Texas 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 the board of regents to meet its obligations under this section, to transfer funds among institutions, branches, and entities of The University of Texas 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.