

BILL ANALYSIS

Senate Research Center
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S.B. 496
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Higher Education
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the Texas Higher Education Coordinating Board (THECB) has broad authority over the review and approval of capital projects at public institutions of higher education. THECB reviews and approves projects that are valued at greater than \$4 million, those that do not meet THECB's requirements, and generally, those that are funded by auxiliary dollars or student fees.

S.B. 496 removes the approval authority from THECB relating to capital projects at public institutions of higher education. THECB retains much of the review authority, but the review and reporting will not impact whether the capital projects move forward. The approval authority will be left with the individual boards of regents.

As proposed, S.B. 496 amends current law relating to the authority of the Texas Higher Education Coordinating Board to review and approve capital projects and purchases of real property at public institutions of higher education in this state.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Texas Higher Education Coordinating Board is rescinded in SECTION 3 (Section 61.058, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 61.0572(b), (d), and (e), Education Code, as follows:

(b) Requires the Texas Higher Education Coordinating Board (THECB), among other requirements, to ascertain that THECB's standards and specifications for new construction, repair, and rehabilitation of all buildings and facilities are in accordance with Chapter 469 (Elimination of Architectural Barriers), Government Code, rather than in accordance with Article 9102 (relating to certain architectural barriers [repealed]), V.T.C.S. Deletes existing text requiring THECB to endorse, or delay until the next succeeding session of the legislature has the opportunity to approve or disapprove, the proposed purchase of any real property by an institution of higher education, except a public junior college; and to develop and publish standards, rules, and regulations to guide the institutions and agencies of higher education in making application for the approval of new construction and major repair and rehabilitation of all buildings and facilities regardless of proposed use. Makes nonsubstantive changes.

(d) Authorizes THECB to review purchases of improved real property added to an institution's educational and general buildings and facilities inventory to determine whether the property meets the standards adopted by THECB for cost, efficiency, and space use, but the purchase of the improved real property is not contingent on THECB review. Deletes existing text authorizing THECB, for purposes of state funding, to review and approve as an addition to an institution's educational and general buildings and facilities inventory any improved real property acquired by gifts or lease-purchase only under certain circumstances. Deletes existing text providing that this subsection does not apply to gifts, grants, or lease-purchase arrangements intended for clinical or research facilities.

(e) Deletes existing Subsection (e) designation and existing text providing that approval of THECB is not required to acquire real property that is financed by bonds issued under certain sections, except that THECB is required to review all real property to be financed by bonds issued under those sections.

SECTION 2. Amends Sections 61.058(a) and (b), Education Code, as follows:

(a) Provides that this section does not apply to buildings and facilities that are to be used exclusively for auxiliary enterprises and will not require appropriations from the legislature for operation, maintenance, or repair. Deletes existing text requiring THECB, except as provided by Subsection (b) of this section, to approve or disapprove all new construction and repair and rehabilitation of all buildings and facilities at institutions of higher education financed from any source provided that certain criteria are met.

(b) Authorizes THECB to review all construction, repair, or rehabilitation of buildings and facilities at institutions of higher education to determine whether the construction, rehabilitations, or repair meets the standards adopted by THECB rule for cost, efficiency, and space use, but the construction, rehabilitation, or repair is not contingent on THECB review. Deletes existing text providing that this section does not apply to construction, repair, or rehabilitation financed by bonds issued under certain sections, except that THECB is required to review all construction, repair, or rehabilitation to be financed by bonds issued under those sections to determine whether the construction, rehabilitation, or repair meets the standards adopted by THECB rule for cost, efficiency, and space use.

SECTION 3. Repealers: Sections 61.0573 (Expedited Process for Certain Projects), and 61.058(c) (relating to authorizing THECB by rule to increase the total cost threshold required for THECB approval for new construction and repair and rehabilitation projects), Education Code.

SECTION 4. Effective date: upon passage or September 1, 2013.