

BILL ANALYSIS

Senate Research Center

H.B. 3351
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Finance
5/20/2003
Engrossed

DIGEST AND PURPOSE

On June 9, 2001, The University of Texas Health Science Center at Houston suffered devastating damage as a result of Tropical Storm Allison. Over 10 million gallons of water poured into basement and ground floor research and academic space, killing thousands of research animals and destroying expensive research equipment. H.B. 3351 authorizes the issuance of \$30 million in revenue bonds to rebuild research and academic space at The University of Texas Health Science 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 Section 55.1732(a), Education Code, to add the word “purchase” to Subdivision (11) of the existing text, regarding a classroom building.

SECTION 2. Amends Subchapter B, Chapter 55, Education Code, by adding Section 55.17321, as follows:

Sec. 55.17321. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL REVENUE 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, facilities, roads, or related infrastructure for The University of Texas Health Science Center at Houston for recovery from the damage caused by Tropical Storm Allison, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with its systemwide revenue financing program and secured as provided by that program in aggregate principal amounts not to exceed \$30 million.

(b) Authorizes the board to pledge irrevocably to the payment of the bonds authorized by Subsection (a) all or any part of the revenue funds of an institution, branch, or entity of The University of Texas System, including student tuition charges required or authorized by law to be imposed on students enrolled at an institution, branch, or entity of The University of Texas System. Provides that the amount of a pledge made under this subsection may not be 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 to transfer funds, if sufficient funds are not available to the board to meet its obligations under this section, 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 constitutional and statutory duties and purposes.

SECTION 3. Amends Section 61.0572(e), Education Code, to make a conforming change.

SECTION 4. Amends Section 61.058(b), Education Code, to make a conforming change.

SECTION 5. Effective date: upon passage or September 1, 2003.