

By: Morrison

H.B. No. 2556

A BILL TO BE ENTITLED

# 1 AN ACT

2 relating to the transfer of the University of Houston--Victoria to  
3 The Texas A&M University System.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. AMENDMENT. Chapter 87, Education Code, is  
6 amended by adding Subchapter M to read as follows:

SUBCHAPTER M. TEXAS A&M UNIVERSITY--VICTORIA

8           Sec. 87.881. ESTABLISHMENT; SCOPE.       (a)       Texas A&M  
9        University--Victoria is a general academic teaching institution  
10      located in the city of Victoria.

17                   Sec. 87.882. COURSES AND DEGREES; ADMINISTRATION. (a) The  
18    university shall offer undergraduate and graduate level programs.

19           (b) The board of regents may prescribe courses leading to  
20 appropriate degrees and adopt other rules necessary for the  
21 operation and management of the university.

22                   (c) The university is subject to the authority of the Texas  
23 Higher Education Coordinating Board.

24 Sec. 87.883. GIFTS AND GRANTS. The board of regents may

1 solicit, accept, and administer gifts and grants for the use and  
2 benefit of the university.

3 SECTION 2. TRANSFER OF GOVERNANCE OF UNIVERSITY. The  
4 governance, control, management, and property of the University of  
5 Houston--Victoria are transferred from the board of regents of the  
6 University of Houston System to the board of regents of The Texas  
7 A&M University System. The transfer is governed by Sections 3  
8 through 7 of this Act.

9 SECTION 3. POWERS AND DUTIES; RULES AND POLICIES. (a) When  
10 the transfer takes effect, the board of regents of The Texas A&M  
11 University System shall govern, operate, manage, and control the  
12 University of Houston--Victoria and all land, buildings,  
13 facilities, improvements, equipment, supplies, and property  
14 belonging to and constituting the University of Houston--Victoria  
15 under the powers and duties conferred by law on the board of  
16 regents.

17 (b) Rules and policies adopted by the board of regents of  
18 the University of Houston System to govern the university that are  
19 in effect when the transfer takes effect are continued in effect  
20 until adopted, repealed, or superseded by the board of regents of  
21 The Texas A&M University System. The board of regents of The Texas  
22 A&M University System may adopt rules and policies applicable to  
23 the university in anticipation of the transfer authorized by this  
24 Act.

25 SECTION 4. CONTRACTS AND WRITTEN OBLIGATIONS, INCLUDING  
26 BONDS. Contracts and written obligations of every kind and  
27 character entered into by the board of regents of the University of

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1 Houston System for and on behalf of the University of  
2 Houston--Victoria, including bonds, are considered ratified,  
3 confirmed, and validated by the board of regents of The Texas A&M  
4 University System on the effective date of the transfer. In those  
5 contracts and written obligations, the board of regents of The  
6 Texas A&M University System is substituted for and stands and acts  
7 in the place of the board of regents of the University of Houston  
8 System to the extent permitted by law.

9 SECTION 5. EFFECT OF TRANSFER ON STUDENTS AND EMPLOYEES.

10 (a) The transfer of the governance of the University of  
11 Houston--Victoria under this Act does not affect the status of any  
12 student of the university.

13 (b) The transfer of the governance of the University of  
14 Houston--Victoria under this Act does not affect the employment  
15 status or accrued benefits of a person employed by the university  
16 when the transfer takes effect.

17 SECTION 6. CURRENT FUNDING. All funds that, on the  
18 effective date of the transfer, have been appropriated or dedicated  
19 to or are held for the use and benefit of the University of  
20 Houston--Victoria under the governance of the board of regents of  
21 the University of Houston System are transferred to the board of  
22 regents of The Texas A&M University System for the use and benefit  
23 of Texas A&M University--Victoria.

24 SECTION 7. LEGISLATIVE INTENT; ROLE OF COORDINATING BOARD.

25 It is the intent of the legislature that the transfer of the  
26 governance of the University of Houston--Victoria from the board of  
27 regents of the University of Houston System to the board of regents

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1 of The Texas A&M University System be made without disrupting the  
2 students, faculty, staff, or programs of the university. If those  
3 boards of regents are unable to agree as to any matter relating to  
4 the transfer, the Texas Higher Education Coordinating Board on  
5 application of either board of regents shall resolve the  
6 disagreement consistent with the intent of this section and the  
7 provisions of this Act as the coordinating board determines is in  
8 the best interest of this state and the institutions under the  
9 governance of the boards of regents. The coordinating board may  
10 issue any orders or take any other action the coordinating board  
11 considers appropriate to enforce this section or to facilitate the  
12 transfer consistent with this Act and the intent of the  
13 legislature.

14 SECTION 8. AMENDMENT. Section 55.1723(a), Education Code,  
15 is amended to read as follows:

16 (a) In addition to the other authority granted by this  
17 subchapter, the board of regents of the University of Houston  
18 System may acquire, purchase, construct, improve, renovate,  
19 enlarge, or equip property, buildings, structures, facilities,  
20 roads, or related infrastructure for the following institutions to  
21 be financed by the issuance of bonds in accordance with this  
22 subchapter and in accordance with a systemwide revenue financing  
23 program adopted by the board in an aggregate principal amount not to  
24 exceed the following amounts:

25 (1) the University of Houston, \$12 million; and  
26 (2) the University of Houston--Downtown, \$7.5  
27 million[~~, and~~

1                   [(3) the University of Houston--Victoria, \$10  
2 million].

3                   SECTION 9. AMENDMENT. Section 55.1733(a), Education Code,  
4 is amended to read as follows:

5                   (a) In addition to the other authority granted by this  
6 subchapter, the board of regents of the University of Houston  
7 System may issue in accordance with this subchapter and in  
8 accordance with a systemwide revenue financing program adopted by  
9 the board bonds for the following institutions not to exceed the  
10 following aggregate principal amounts to finance projects  
11 specified as follows:

12                   (1) the University of Houston, \$51 million to  
13 construct science and engineering research and classroom  
14 facilities;

15                   (2) the University of Houston--Downtown, \$18,232,500  
16 to construct a classroom building; and

17                   (3) the University of Houston--Clear Lake,  
18 \$30,918,750 to construct a student services and classroom  
19 building[; and

20                   [(4) the University of Houston--Victoria, \$2,805,000  
21 to remodel the University West facility, acquire and renovate a  
22 facility services building, and renovate and expand a facility for  
23 the center for community initiatives].

24                   SECTION 10. AMENDMENT. Section 55.1753(a), Education Code,  
25 is amended to read as follows:

26                   (a) In addition to the other authority granted by this  
27 subchapter, the board of regents of the University of Houston

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1 System may acquire, purchase, construct, improve, renovate,  
2 enlarge, or equip facilities, including roads and related  
3 infrastructure, for the following institutions, to be financed  
4 through the issuance of bonds in accordance with this subchapter  
5 and in accordance with a systemwide revenue financing program  
6 adopted by the board, in aggregate principal amounts not to exceed  
7 the following:

10 (2) the University of Houston--Clear Lake,  
11 \$10,604,808 for Arbor Building renovations and additions; and

12 (3) the University of Houston--Downtown, \$31,626,000  
13 for a classroom building at Shea Street [~~;~~ and

14 [ (4) ~~the University of Houston--Victoria:~~

15 [ (A) ~~\$22,900,000 for an academic building at the~~  
16 ~~University of Houston System Center at Sugar Land;~~

17 [ (B) \$6,719,400 for regional economic  
18 development; and

19 [ (c) ~~\$1,800,000 for allied health facilities~~ ].

20 SECTION 11. AMENDMENT. Subchapter B, Chapter 55, Education  
21 Code, is amended by adding Section 55.17812 to read as follows:

22 Sec. 55.17812. TEXAS A&M UNIVERSITY--VICTORIA. (a) In  
23 addition to the other authority granted by this subchapter, the  
24 board of regents of The Texas A&M University System may issue bonds  
25 in accordance with this subchapter and in accordance with a  
26 systemwide revenue financing program adopted by the board in the  
27 aggregate principal amounts not to exceed the amounts previously

1 authorized for the University of Houston--Victoria by Sections  
2 55.1723, 55.173, 55.1733, and 55.1753, as those sections existed  
3 immediately before this section took effect, less any portion of  
4 those amounts for which bonds were issued under those sections for  
5 the university before the date this section took effect. Subject to  
6 Subsection (d), bonds issued under this section for an amount  
7 previously authorized by Section 55.1723, 55.173, 55.1733, or  
8 55.1753 may be used only at Texas A&M University--Victoria for the  
9 purposes for which the bonds for the University of  
10 Houston--Victoria were authorized to be issued under Section  
11 55.1723, 55.173, 55.1733, or 55.1753, as applicable.

12 (b) The board may pledge irrevocably to the payment of those  
13 bonds all or any part of the revenue funds of an institution,  
14 branch, or entity of The Texas A&M University System, including  
15 student tuition charges. The amount of a pledge made under this  
16 subsection may not be reduced or abrogated while the bonds for which  
17 the pledge is made, or bonds issued to refund those bonds, are  
18 outstanding.

19 (c) If sufficient funds are not available to the board to  
20 meet its obligations under this section, the board may transfer  
21 funds among institutions, branches, and entities of The Texas A&M  
22 University System to ensure the most equitable and efficient  
23 allocation of available resources for each institution, branch, or  
24 entity to carry out its duties and purposes.

25 (d) Any portion of the proceeds of bonds authorized by this  
26 section for one or more specified projects that is not required for  
27 the specified projects may be used to renovate existing structures

1 and facilities at the university.

2 SECTION 12. AMENDMENT. Section 62.021, Education Code, is  
3 amended to read as follows:

4 Sec. 62.021. ALLOCATIONS. (a) In each state fiscal year  
5 beginning with the state fiscal year ending August 31, 2011, an  
6 eligible institution is entitled to receive an amount allocated in  
7 accordance with this section from the funds appropriated for that  
8 year by Section 17(a), Article VII, Texas Constitution. The  
9 comptroller shall distribute funds allocated under this subsection  
10 only on presentation of a claim and issuance of a warrant in  
11 accordance with Section 403.071, Government Code. An eligible  
12 institution may not present a claim to be paid from any funds  
13 allocated under this subsection before the delivery of goods or  
14 services described in Section 17, Article VII, Texas Constitution,  
15 except for the payment of principal or interest on bonds or notes or  
16 for a payment for a book or other published library material as  
17 authorized by Section 2155.386, Government Code. The allocation  
18 of funds under this subsection is made in accordance with an  
19 equitable formula consisting of the following elements: space  
20 deficit, facilities condition, institutional complexity, and a  
21 separate allocation for the Texas State Technical College  
22 System. The annual amounts allocated by the formula are as  
23 follows:

24 (1) \$3,559,433 to Midwestern State University;  
25 (2) \$27,846,476 to the University of North Texas;  
26 (3) \$8,771,265 to the University of North Texas Health  
27 Science Center at Fort Worth;

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1 (4) \$12,311,123 to The University of Texas--Pan  
2 American:

3 (5) \$5,057,420 to The University of Texas at  
4 Brownsville:

5 (6) \$8,425,937 to Stephen F. Austin State University;

8 (A) \$8,330,933 to Lamar University;

9 (B) \$2,332,463 to the Lamar Institute of  
10 Technology;

11 (C) \$1,235,752 to Lamar State College--Orange;

12 (D) \$1,244,694 to Lamar State College--Port  
13 Arthur;

14

15 (F) \$21,863,258 to Texas State University--Sa

16 Marcos; (C) §1.625.061 b. S. 1. P. S. 1. H. 1. 1. 1.

18 (H) \$445,380 to Sul Ross State University-Pecos

19 Grande College;  
20 (8) \$8,894.700 to Texas Southern University.

21 (9) to the following component institutions of the  
22 Texas Tech University System:

23 (A) \$23,936,088 to Texas Tech University;  
24 (B) \$16,973,569 to Texas Tech University Health

25 Sciences Center; and

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3 (A) \$35,885,768 to the University of Houston;

4 (B) [§2,393,921 to the University of  
5 ~~Houston-Victoria;~~

6 [ (C) ] \$5,214,167 to the University of  
7 Houston--Clear Lake; and

10 (12) to the following component institutions of The  
11 Texas A&M University System:

12 (A) \$7,139,067 to Texas A&M University--Corpus  
13 Christi:

14 (B) \$3,796,436 to Texas A&M International  
15 University:

16 (C) \$5,046,885 to Texas A&M  
17 University--Kingsville:

18 (D) \$4,652,995 to West Texas A&M University;

19 (E) \$5,193,232 to Texas A&M  
20 University--Commerce: [redacted]

21 (F) \$1,307,907 to Texas A&M  
22 University--Texarkana, and

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1 (A) Texas State Technical College-Harlingen;  
2 (B) Texas State Technical College--Marshall;  
3 (C) Texas State Technical College--West Texas;  
4 and  
5 (D) Texas State Technical College--Waco.

6 SECTION 13. REPEALER. The following provisions of the  
7 Education Code are repealed:

8 (1) Section 55.173; and

9 (2) Subchapter G, Chapter 111.

10 SECTION 14. EFFECTIVE DATE. This Act takes effect  
11 September 1, 2011.