

CHAPTER 288

S.B. No. 1068

AN ACT

relating to authorizing the issuance of general obligation bonds for projects relating to facilities of corrections institutions, including youth corrections institutions, and mental health and mental retardation institutions.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subsection (a), Section 4, Chapter 696, Acts of the 70th Legislature, Regular Session, 1987 (Article 601d-1, Vernon's Texas Civil Statutes), is amended to read as follows:

(a)(1) The authority may issue up to \$500 million in general obligation bonds and distribute bond proceeds to appropriate agencies for use for acquiring, constructing, or equipping new facilities or for major repair or renovation of existing facilities, corrections institutions, including youth corrections institutions, and mental health and mental retardation institutions.

(2) The authority may issue up to \$400 million in general obligation bonds, in addition to the amount authorized by Subsection (a)(1) of this section, and distribute bond proceeds to appropriate agencies for the same uses as authorized by Subsection (a)(1) and to the Department of Public Safety for the purchase, repair, and renovation of the Austin Independent School District administration building adjacent to the Department of Public Safety state headquarters, for the purpose of expanding the department's state headquarters' central office building.

(3) The authority may issue up to \$1.055 billion in general obligation bonds, in addition to the amounts authorized by Subsections (a)(1) and (a)(2) of this section, and distribute bond proceeds to appropriate agencies for use for acquiring, constructing, or equipping new prisons and substance abuse felony punishment facilities to confine criminals and youth corrections institutions, for major repair or renovation of existing prison facilities and youth corrections institutions, and for the acquisition of, major repair to, or renovation of other facilities for use as state prisons, substance abuse felony punishment facilities, or facilities in which pilot programs established as provided by Section 614.011, Health and Safety Code, are conducted.

(4) *The authority may issue up to \$1 billion in general obligation bonds, in addition to amounts authorized by Subsections (a)(1), (a)(2), and (a)(3) of this section, and distribute bond proceeds to appropriate agencies for use for acquiring, constructing, or equipping new facilities or for major repair or renovation of existing facilities of corrections institutions, including youth corrections institutions, and mental health and mental retardation institutions.*

(5) *The authority shall make a good faith effort to use historically underutilized businesses to assist in the issuance of at least 30 percent of the total value of the bonds authorized by Subsection (a)(4) of this section. The authority shall report to the legislature and the governor on the level of historically underutilized business participation in the bond issuance. In this section, "historically underutilized business" means a business entity formed for the purpose of making a profit of which at least 51 percent is owned by one or more persons who are socially disadvantaged because of their identification as members of certain groups, including women, African Americans, Hispanic Americans, Native Americans, and Asian Americans, who have suffered the effects of discriminatory practices or similar insidious circumstances over which they have no control, or in which at least 51 percent of all classes of the shares of stock or other equitable securities is owned by one or more persons who are socially disadvantaged because of their identification as members of certain groups, including women, African Americans, Hispanic Americans, Native Americans, and Asian Americans, who have suffered the effects of discriminatory practices or similar insidious circumstances over which they have no control. Those persons who own at least 51 percent of all classes of the shares of stock or other equitable securities must have proportionate interest in the control, operation, and management of the corporation's affairs.*

(6) The bond proceeds may be used to refinance an existing obligation for a purpose described by this subsection. The authority may issue general obligation bonds authorized under Subsection (a)(1) or (a)(2) of this section to refund revenue bonds issued under this Act.

SECTION 2. This Act takes effect on the date on which the constitutional amendment proposed by S.J.R. 45, 73rd Legislature, Regular Session, 1993, takes effect. If that amendment is not approved by the voters, this Act has no effect.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force according to its terms, and it is so enacted.

Passed the Senate on April 22, 1993: Yeas 29, Nays 0; the Senate concurred in House amendment on May 11, 1993, by a viva-voce vote; passed the House, with amendment, on May 8, 1993, by a non-record vote.

Approved May 26, 1993.

Effective upon approval by the voters of Acts 1993, 73rd Leg., S.J.R. 45, as provided in § 2.