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H.B. No. 1522

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the transfer of Midwestern State University to the
3 Texas Tech University System, to certain fees charged by that
4 system's governing board, and to mandatory venue for actions
5 brought against that system or its institutions, officers, or
6 employees.

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

8 SECTION 1. AMENDMENT. Chapter 109, Education Code, is
9 amended by adding Subchapter E to read as follows:

10 SUBCHAPTER E. MIDWESTERN STATE UNIVERSITY

11 Sec. 109.201. ESTABLISHMENT; SCOPE. (a) Midwestern State
12 University is a general academic teaching institution located in
13 the city of Wichita Falls.

14 (b) The university is a component institution of the Texas
15 Tech University System and is under the management and control of
16 the board of regents of the Texas Tech University System. The board
17 of regents has the same powers and duties concerning Midwestern
18 State University as are conferred on the board by statute
19 concerning Texas Tech University.

20 Sec. 109.202. COURSES AND DEGREES; ADMINISTRATION. (a) The
21 university shall offer undergraduate-level and graduate-level
22 programs.

23 (b) The board of regents may approve degree programs,
24 subject to the approval of the Texas Higher Education Coordinating

1 Board, and adopt other rules necessary for the operation and
2 management of the university.

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

5 Sec. 109.203. UNIVERSITY OF FIRST RANK. The board of
6 regents shall build and operate the university as a public liberal
7 arts university of the first rank to offer the university's
8 students, consistent with the university's mission, preparation
9 for excellence in a variety of careers and exploration of a variety
10 of interests. The university shall be equipped as necessary to do
11 its work as well as comparable public institutions of higher
12 education in this state.

13 Sec. 109.204. UNIVERSITY MUSEUM. The Texas Higher
14 Education Coordinating Board shall include in the funding formula
15 applicable to the university funding for the operation and
16 maintenance of the museum acquired by the university in accordance
17 with former Section [103.11](#).

18 Sec. 109.205. GIFTS AND GRANTS. The board of regents may
19 solicit, accept, and administer gifts and grants for the use and
20 benefit of the university.

21 SECTION 2. TRANSFER OF GOVERNANCE OF UNIVERSITY; ABOLITION
22 OF BOARD OF REGENTS. The governance, control, management, and
23 property of Midwestern State University are transferred from the
24 board of regents of Midwestern State University to the board of
25 regents of the Texas Tech University System. The transfer is
26 governed by Sections 3 through 8 of this Act. Following the
27 transfer, the board of regents of Midwestern State University is

1 abolished.

2 SECTION 3. POWERS AND DUTIES; RULES AND POLICIES. (a) When
3 the transfer takes effect, the board of regents of the Texas Tech
4 University System shall govern, operate, manage, and control
5 Midwestern State University and all land, buildings, facilities,
6 improvements, equipment, supplies, and property belonging to and
7 constituting Midwestern State University under the powers and
8 duties conferred by law on the board of regents.

9 (b) Midwestern State University may continue to award
10 degrees in the same disciplines and of the same academic standing
11 after the transfer authorized by this Act as those in which degrees
12 were awarded by the university before this Act, subject to the
13 authority of the Texas Higher Education Coordinating Board
14 regarding existing degree programs.

15 (c) Rules and policies adopted by the board of regents of
16 Midwestern State University to govern the university that are in
17 effect when the transfer takes effect are continued in effect until
18 adopted, repealed, or superseded by the board of regents of the
19 Texas Tech University System. The board of regents of the Texas
20 Tech University System may adopt rules and policies applicable to
21 the university in anticipation of the transfer authorized by this
22 Act.

23 SECTION 4. CONTRACTS AND WRITTEN OBLIGATIONS, INCLUDING
24 BONDS. Contracts and written obligations of every kind and
25 character entered into by the board of regents of Midwestern State
26 University or the Texas Public Finance Authority for and on behalf
27 of Midwestern State University, including bonds, are considered

1 ratified, confirmed, and validated by the board of regents of the
2 Texas Tech University System on the effective date of the transfer.
3 In those contracts and written obligations, the board of regents of
4 the Texas Tech University System is substituted for and stands and
5 acts in the place of the board of regents of Midwestern State
6 University or the Texas Public Finance Authority, as applicable, to
7 the extent permitted by law.

8 SECTION 5. TUITION AND FEES. The tuition and fees
9 authorized by the board of regents of Midwestern State University
10 before the transfer of governance under this Act remain in effect
11 until the board of regents of the Texas Tech University System
12 authorizes a different amount of tuition and fees for the
13 university as provided by law.

14 SECTION 6. EFFECT OF TRANSFER ON STUDENTS AND EMPLOYEES.
15 (a) The transfer of the governance of Midwestern State University
16 under this Act does not affect the status of any student of the
17 university enrolled at the university when the transfer takes
18 effect.

19 (b) The transfer of the governance of Midwestern State
20 University under this Act does not affect the employment status or
21 accrued benefits of any person employed by the university when the
22 transfer takes effect.

23 SECTION 7. CURRENT FUNDING. All funds that, on the
24 effective date of the transfer, have been appropriated or dedicated
25 to or are held for the use and benefit of Midwestern State
26 University under the governance of the board of regents of the
27 university are transferred to the board of regents of the Texas Tech

1 University System for the use and benefit of the university. Other
2 funds held for the use and benefit of Midwestern State University
3 shall continue to be available for the use and benefit of the
4 university notwithstanding the change in governance made by this
5 Act.

6 SECTION 8. LEGISLATIVE INTENT; ROLE OF COORDINATING BOARD.

7 It is the intent of the legislature that the transfer of the
8 governance of Midwestern State University from the board of regents
9 of the university to the board of regents of the Texas Tech
10 University System be made without disrupting the students, faculty,
11 staff, or programs of the university. If those boards of regents
12 are unable to agree as to any matter relating to the transfer, the
13 Texas Higher Education Coordinating Board on application of either
14 board of regents shall resolve the disagreement consistent with the
15 intent of this section and the provisions of this Act as the
16 coordinating board determines is in the best interest of this state
17 and the institutions under the governance of the boards of regents.
18 The coordinating board may issue any orders or take any other action
19 the coordinating board considers appropriate to enforce this
20 section or to facilitate the transfer consistent with this Act and
21 the intent of the legislature.

22 SECTION 9. AMENDMENT. Section 54.508(a), Education Code,
23 is amended to read as follows:

24 (a) The board of regents of the Texas Tech University System
25 may charge each student registered at a component institution of
26 the Texas Tech University System a medical services fee not to
27 exceed \$100 for each semester or ~~[of the regular]~~ term ~~[or 12-week~~

1 ~~summer session and not to exceed \$50 for each six-week or shorter~~
2 ~~term of the summer session].~~

3 SECTION 10. AMENDMENT. Section 54.509, Education Code, is
4 amended by amending Subsections (a) and (b) and adding Subsections
5 (a-1) and (e) to read as follows:

6 (a) Except as provided by Subsection (a-1) and if ~~[If]~~
7 approved by student vote, the board of regents of the Texas Tech
8 University System may charge each student enrolled at a component
9 institution of the Texas Tech University System a recreation fee
10 not to exceed \$100 per semester or \$50 per six-week summer term to
11 be used to purchase equipment for and to finance, construct,
12 operate, renovate, and maintain the student recreation facilities
13 and programs at the institution.

14 (a-1) The amount of a fee charged under Subsection (a) to
15 students enrolled at Midwestern State University may not exceed
16 \$130 per semester or summer term of longer than six weeks or \$65 per
17 summer term of six weeks or less.

18 (b) The fee may not be increased by more than 10 percent from
19 one academic year to the next unless the increase is approved by:

20 (1) a majority of students voting on the issue in a
21 general student election called for that purpose; or

22 (2) a majority vote of the student government at the
23 institution.

24 (e) The board of regents may pledge the fees imposed under
25 this section to pay obligations issued for authorized purposes
26 pursuant to the revenue financing system of the Texas Tech
27 University System.

1 SECTION 11. AMENDMENT. Section 55.13(c), Education Code,
2 is amended to read as follows:

3 (c) Notwithstanding any other provision of this section,
4 with respect to all bonds authorized to be issued by [~~Midwestern~~
5 ~~State University or~~] Texas Southern University, the Texas Public
6 Finance Authority shall exercise the authority of a board to issue
7 bonds on behalf of that university [~~those institutions~~], in the
8 manner provided by this subchapter, including the authority to
9 issue refunding bonds under Section 55.19. In connection with the
10 issuance of bonds under this chapter, the Texas Public Finance
11 Authority has all the rights and duties granted or assigned to and
12 is subject to the same conditions as a board under this chapter.

13 SECTION 12. AMENDMENT. Subchapter B, Chapter 55, Education
14 Code, is amended by adding Section 55.17893 to read as follows:

15 Sec. 55.17893. MIDWESTERN STATE UNIVERSITY. (a) In
16 addition to the other authority granted by this subchapter, the
17 board of regents of the Texas Tech University System may issue bonds
18 in accordance with this subchapter and in accordance with a
19 systemwide revenue financing program adopted by the board in the
20 aggregate principal amounts not to exceed the amounts previously
21 authorized for Midwestern State University by Sections 55.1727,
22 55.1737, 55.1757, and 55.1787, as those sections existed
23 immediately before this section took effect, less any portion of
24 those amounts for which bonds were issued under those sections for
25 the university before the date this section took effect. Subject to
26 Subsection (d), bonds issued under this section for an amount
27 previously authorized by Section 55.1727, 55.1737, 55.1757, or

1 55.1787 may be used only at Midwestern State University for the
2 purposes for which the bonds were authorized to be issued for the
3 university under Section 55.1727, 55.1737, 55.1757, or 55.1787, as
4 applicable.

5 (b) The board of regents of the Texas Tech University System
6 may pledge irrevocably to the payment of those bonds all or any part
7 of the revenue funds of an institution, branch, or entity of the
8 Texas Tech University System. The amount of a pledge made under
9 this subsection may not be reduced or abrogated while the bonds for
10 which the pledge is made, or bonds issued to refund those bonds, are
11 outstanding.

12 (c) If sufficient funds are not available to the board of
13 regents of the Texas Tech University System to meet its obligations
14 under this section, the board may transfer funds among
15 institutions, branches, and entities of the Texas Tech University
16 System to ensure the most equitable and efficient allocation of
17 available resources for each institution, branch, or entity to
18 carry out its duties and purposes.

19 (d) Any portion of the proceeds of bonds authorized by this
20 section for one or more specified projects that is not required for
21 the specified projects may be used to renovate existing structures
22 and facilities at the university.

23 (e) The board of regents of the Texas Tech University System
24 may issue refunding bonds under Chapter 1207, Government Code, to
25 refund all or any part of the outstanding bonds, notes, or other
26 general or special obligations issued by or for the benefit of
27 Midwestern State University, including obligations previously

1 issued by the Texas Public Finance Authority. For purposes of
2 Chapter 1207, Government Code, and in connection with the issuance
3 of any refunding bonds under that chapter, the board of regents of
4 the Texas Tech University System shall be considered the issuer of
5 the outstanding bonds, notes, or obligations of Midwestern State
6 University which are being refunded.

7 SECTION 13. AMENDMENT. Section 62.021(a), Education Code,
8 is amended to read as follows:

9 (a) In each state fiscal year beginning with the state
10 fiscal year ending August 31, 2021, an eligible institution is
11 entitled to receive an amount allocated in accordance with this
12 section from the funds appropriated for that year by Section 17(a),
13 Article VII, Texas Constitution. The comptroller shall distribute
14 funds allocated under this subsection only on presentation of a
15 claim and issuance of a warrant in accordance with Section 403.071,
16 Government Code. An eligible institution may not present a claim to
17 be paid from any funds allocated under this subsection before the
18 delivery of goods or services described in Section 17, Article VII,
19 Texas Constitution, except for the payment of principal or interest
20 on bonds or notes or for a payment for a book or other published
21 library material as authorized by Section 2155.386, Government
22 Code. The allocation of funds under this subsection is made in
23 accordance with an equitable formula consisting of the following
24 elements: space deficit, facilities condition, institutional
25 complexity, and a separate allocation for the Texas State Technical
26 College System. The annual amounts allocated by the formula are as
27 follows:

1 (1) [~~\$4,933,200 to Midwestern State University,~~
2 ~~(2)~~] to the following component institutions of the
3 University of North Texas System:

4 (A) \$37,346,563 to the University of North Texas;

5 (B) \$15,125,502 to the University of North Texas
6 Health Science Center at Fort Worth; and

7 (C) \$3,354,441 to the University of North Texas
8 at Dallas;

9 (2) [~~(3)~~] \$11,277,793 to Stephen F. Austin State
10 University;

11 (3) [~~(4)~~] to the following component institutions of
12 the Texas State University System:

13 (A) \$13,141,181 to Lamar University;

14 (B) \$2,553,130 to the Lamar Institute of
15 Technology;

16 (C) \$1,488,396 to Lamar State College--Orange;

17 (D) \$2,217,102 to Lamar State College--Port
18 Arthur;

19 (E) \$18,236,811 to Sam Houston State University;

20 (F) \$37,606,478 to Texas State University;

21 (G) \$2,151,723 to Sul Ross State University; and

22 (H) \$472,890 to Sul Ross State University-Rio
23 Grande College;

24 (4) [~~(5)~~] \$11,719,335 to Texas Southern University;

25 (5) [~~(6)~~] to the following component institutions of
26 the Texas Tech University System:

27 (A) \$49,874,746 to Texas Tech University;

1 (B) \$21,652,392 to Texas Tech University Health
2 Sciences Center;

3 (C) \$6,792,999 to Angelo State University; ~~and~~

4 (D) \$5,557,572 to Texas Tech University Health
5 Sciences Center--El Paso; and

6 (E) \$4,933,200 to Midwestern State University;

7 (6) ~~(7)~~ \$14,554,133 to Texas Woman's University;

8 (7) ~~(8)~~ to the following component institutions of
9 the University of Houston System:

10 (A) \$54,514,004 to the University of Houston;

11 (B) \$3,542,817 to the University of
12 Houston--Victoria;

13 (C) \$7,726,043 to the University of
14 Houston--Clear Lake; and

15 (D) \$10,828,344 to the University of
16 Houston--Downtown;

17 (8) ~~(9)~~ to the following component institutions of
18 The Texas A&M University System:

19 (A) \$11,478,824 to Texas A&M University--Corpus
20 Christi;

21 (B) \$7,462,394 to Texas A&M International
22 University;

23 (C) \$8,858,060 to Texas A&M
24 University--Kingsville;

25 (D) \$7,446,495 to West Texas A&M University;

26 (E) \$11,123,859 to Texas A&M
27 University--Commerce; and

1 (F) \$2,050,273 to Texas A&M
2 University--Texarkana; and

3 (9) [~~10~~] \$8,662,500 to the Texas State Technical
4 College System Administration and the following component
5 campuses, but not its extension centers or programs:

- 6 (A) Texas State Technical College--Harlingen;
- 7 (B) Texas State Technical College--Marshall;
- 8 (C) Texas State Technical College--West Texas;
- 9 (D) Texas State Technical College--Waco;
- 10 (E) Texas State Technical College--Fort Bend;
- 11 and
- 12 (F) Texas State Technical College--North Texas.

13 SECTION 14. AMENDMENT. Subchapter A, Chapter 109,
14 Education Code, is amended by adding Section 109.005 to read as
15 follows:

16 Sec. 109.005. MANDATORY VENUE. (a) Venue for a suit filed
17 against the board or a member of the board in the member's official
18 capacity is in Lubbock County.

19 (b) Venue for a suit filed against the Texas Tech University
20 System, any component of the Texas Tech University System, or any
21 officer or employee of the Texas Tech University System or of any
22 component of the Texas Tech University System is in the county in
23 which the primary office of the chief executive officer of the
24 system or component, as applicable, is located.

25 (c) This section does not waive any defense to or immunity
26 from suit or liability that may be asserted by an entity or
27 individual described by this section.

1 (d) In case of a conflict between this section and any other
2 law, this section controls.

3 SECTION 15. AMENDMENT. Section 1232.101(a), Government
4 Code, is amended to read as follows:

5 (a) With respect to all bonds authorized to be issued by or
6 on behalf of the Texas Military Department, Parks and Wildlife
7 Department, Texas Agricultural Finance Authority, Texas Low-Level
8 Radioactive Waste Disposal Authority, [~~Midwestern State~~
9 ~~University,~~] and Texas Southern University, the authority has the
10 exclusive authority to act on behalf of those entities in issuing
11 bonds on their behalf. In connection with those issuances and with
12 the issuance of refunding bonds on behalf of those entities, the
13 authority is subject to all rights, duties, and conditions
14 surrounding issuance previously applicable to the issuing entity
15 under the statute authorizing the issuance. A reference in an
16 authorizing statute to the entity on whose behalf the bonds are
17 being issued applies equally to the authority in its capacity as
18 issuer on behalf of the entity.

19 SECTION 16. AMENDMENT. Section 501.022, Labor Code, is
20 amended by amending Subsection (a) and adding Subsection (g) to
21 read as follows:

22 (a) An eligible employee of Texas Tech University, Texas
23 Tech University Health Sciences Center, Angelo State University,
24 Texas Tech University System Administration, Texas Tech University
25 Health Sciences Center at El Paso, Midwestern State University, or
26 another agency under the direction and control of the board of
27 regents of the Texas Tech University System is entitled to

1 participate in the workers' compensation program for state
2 employees provided under this chapter.

3 (g) For purposes of this chapter, Midwestern State
4 University is a state agency and shall act in the capacity of
5 employer.

6 SECTION 17. TRANSITION. Section 109.005, Education Code,
7 as added by this Act, applies only to an action brought against the
8 board of regents of the Texas Tech University System or a member of
9 that board in the member's official capacity, the Texas Tech
10 University System, a component institution of that system, or an
11 officer or employee of that system or of a component institution of
12 that system on or after the effective date of this Act.

13 SECTION 18. REPEALER. The following provisions of the
14 Education Code are repealed:

- 15 (1) Section 54.241(h);
16 (2) Sections 54.5082, 54.518, 54.5441, 54.5442,
17 55.1727, 55.1737, 55.1757, and 55.1787; and
18 (3) Chapter 103.

19 SECTION 19. EFFECTIVE DATE. This Act takes effect
20 September 1, 2021.