

By: Frank

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

20 Sec. 109.202. COURSES AND DEGREES; ADMINISTRATION.

21 (a) The University shall offer undergraduate-level and  
22 graduate-level programs.

23 (b) the board of regents may approve degrees and adopt other  
24 rules necessary for the operation and management of the university.

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

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

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

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

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

27        SECTION 3. POWERS AND DUTIES; RULES AND POLICIES.

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

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

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

20           SECTION 4. CONTRACTS AND WRITTEN OBLIGATIONS, INCLUDING  
21 BONDS. Contracts and written obligations of every kind and  
22 character entered into by the board of regents of Midwestern State  
23 University or the Texas Public Finance Authority for and on behalf  
24 of Midwestern State University, including bonds, are considered  
25 ratified, confirmed, and validated by the board of regents of the  
26 Texas Tech University System on the effective date of the transfer.  
27 In those contracts and written obligations, the board of regents of

1 the Texas Tech University System is substituted for and stands and  
2 acts in the place of the board of regents of Midwestern State  
3 University or the Texas Public Finance Authority, as applicable, to  
4 the extent permitted by law.

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

11 SECTION 6. EFFECT OF TRANSFER ON STUDENTS AND EMPLOYEES.

12 (a) The transfer of the governance of Midwestern State  
13 University under this Act does not affect the status of any student  
14 of the university enrolled at the university when the transfer  
15 takes effect.

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

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

1 university notwithstanding the change in governance made by this  
2 Act.

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

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

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

21 (a) The board of regents of the Texas Tech University System  
22 may charge each student registered at a component institution of  
23 the Texas Tech University System a medical services fee not to  
24 exceed \$100 for each semester or ~~[of the regular]~~ term ~~[or 12-week~~  
25 ~~summer session, and not to exceed \$50 for each six-week or shorter~~  
26 ~~term of the summer session]~~.

27 SECTION 10. AMENDMENT. Section 54.509, Education Code, is

1 amended by amending Subsections (a) and (b) and adding Subsection  
2 (e) to read as follows:

3 (a) If approved by student vote, the board of regents of the  
4 Texas Tech University System may charge each student enrolled at a  
5 component institution of the Texas Tech University System a  
6 recreation fee not to exceed \$150 [~~\$100~~] per semester or \$75 [~~\$50~~  
7 ~~per~~] six-week summer term to be used to purchase equipment for and  
8 to finance, construct, operate, renovate, and maintain the student  
9 recreation facilities and programs at the institution.

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

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

14 (2) a majority vote of the student government at the  
15 institution.

16 (e) The board of regents may pledge the fees imposed under  
17 this section to pay obligations issued for authorized purposes  
18 pursuant to the revenue financing system of the Texas Tech  
19 University System.

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

22 (c) Notwithstanding any other provision of this section,  
23 with respect to all bonds authorized to be issued by [~~Midwestern~~  
24 ~~State University or~~] Texas Southern University, the Texas Public  
25 Finance Authority shall exercise the authority of a board to issue  
26 bonds on behalf of that university [~~those institutions~~], in the  
27 manner provided by this subchapter, including the authority to

1 issue refunding bonds under Section 55.19. In connection with the  
2 issuance of bonds under this chapter, the Texas Public Finance  
3 Authority has all the rights and duties granted or assigned to and  
4 is subject to the same conditions as a board under this chapter.

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

7 Sec. 55.17893. MIDWESTERN STATE UNIVERSITY. (a) In  
8 addition to the other authority granted by this subchapter, the  
9 board of regents of the Texas Tech University System may issue bonds  
10 in accordance with this subchapter and in accordance with a system  
11 wide revenue financing program adopted by the board in the  
12 aggregate principal amounts not to exceed the amounts previously  
13 authorized for Midwestern State University by Sections 55.1727,  
14 55.1737, 55.1757, and 55.1787, as those sections existed  
15 immediately before this section took effect, less any portion of  
16 those amounts for which bonds were issued under those sections for  
17 the university before the date this section took effect. Subject to  
18 Subsection (d), bonds issued under this section for an amount  
19 previously authorized by Section 55.1727, 55.1737, 55.1757, or  
20 55.1787 may be used only at Midwestern State University for the  
21 purposes for which the bonds were authorized to be issued for the  
22 university under Section 55.1727, 55.1737, 55.1757, or 55.1787, as  
23 applicable.

24 (b) The board may pledge irrevocably to the payment of those  
25 bonds all or any part of the revenue funds of an institution,  
26 branch, or entity of the Texas Tech University System. The amount  
27 of a pledge made under this subsection may not be reduced or

1 abrogated while the bonds for which the pledge is made, or bonds  
2 issued to refund those bonds, are outstanding.

3 (c) If sufficient funds are not available to the board to  
4 meet its obligations under this section, the board may transfer  
5 funds among institutions, branches, and entities of the Texas Tech  
6 University System to ensure the most equitable and efficient  
7 allocation of available resources for each institution, branch, or  
8 entity to carry out its duties and purposes.

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

13 (e) The board of regents of the Texas Tech University System  
14 may issue refunding bonds under Chapter 1207, Texas Government  
15 Code, to refund all or any part of the outstanding bonds, notes, or  
16 other general or special obligations issued by or for the benefit of  
17 Midwestern State University, including obligations previously  
18 issued by the Texas Public Finance Authority. For purposes of  
19 Chapter 1207, Texas Government Code, and in connection with the  
20 issuance of any such refunding bonds, the board of regents of the  
21 Texas Tech University System shall be considered the "issuer" of  
22 the outstanding bonds, notes or obligations of Midwestern State  
23 University which are being refunded.

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

26 (a) In each state fiscal year beginning with the state  
27 fiscal year ending August 31, 2021, an eligible institution is

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

18 (1) [~~\$4,933,200 to Midwestern State University,~~  
19 [~~2~~] to the following component institutions of the  
20 University of North Texas System:

- 21 (A) \$37,346,563 to the University of North Texas;  
22 (B) \$15,125,502 to the University of North Texas  
23 Health Science Center at Fort Worth; and  
24 (C) \$3,354,441 to the University of North Texas  
25 at Dallas;

26 (2) (2) [~~3~~] \$11,277,793 to Stephen F. Austin State  
27 University;

1           (3) [~~(4)~~] to the following component institutions of  
2 the Texas State University System:

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

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

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

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

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

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

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

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

14           (4) [~~(5)~~] \$11,719,335 to Texas Southern University;

15           (5) [~~(6)~~] to the following component institutions of  
16 the Texas Tech University System:

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

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

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

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

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

24           (6) [~~(7)~~] \$14,554,133 to Texas Woman's University;

25           (7) [~~(8)~~] to the following component institutions of  
26 the University of Houston System:

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

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

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

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

7 (8) [~~(9)~~] to the following component institutions of  
8 The Texas A&M University System:

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

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

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

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

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

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

20 (9) [~~(10)~~] \$8,662,500 to the Texas State Technical  
21 College System Administration and the following component  
22 campuses, but not its extension centers or programs:

23 (A) Texas State Technical College--Harlingen;

24 (B) Texas State Technical College--Marshall;

25 (C) Texas State Technical College--West Texas;

26 (D) Texas State Technical College--Waco;

27 (E) Texas State Technical College--Fort Bend;

1 and

2 (F) Texas State Technical College--North Texas.

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

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

9 (b) Venue for a suit filed against the Texas Tech University  
10 System, any component of the Texas Tech University System, or any  
11 officer or employee of the Texas Tech University System or  
12 component thereof is in the county in which the primary office of  
13 the chief executive officer of the system or component, as  
14 applicable, is located.

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

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

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

22 (a) With respect to all bonds authorized to be issued by or  
23 on behalf of the Texas Military Department, Parks and Wildlife  
24 Department, Texas Agricultural Finance Authority, Texas Low-Level  
25 Radioactive Waste Disposal Authority, [~~Midwestern State~~  
26 ~~University,~~] and Texas Southern University, the authority has the  
27 exclusive authority to act on behalf of those entities in issuing

1 bonds on their behalf. In connection with those issuances and with  
2 the issuance of refunding bonds on behalf of those entities, the  
3 authority is subject to all rights, duties, and conditions  
4 surrounding issuance previously applicable to the issuing entity  
5 under the statute authorizing the issuance. A reference in an  
6 authorizing statute to the entity on whose behalf the bonds are  
7 being issued applies equally to the authority in its capacity as  
8 issuer on behalf of the entity.

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

12 (a) An eligible employee of Texas Tech University, Texas  
13 Tech University Health Sciences Center, Angelo State University,  
14 Texas Tech University System Administration, Texas Tech University  
15 Health Sciences Center at El Paso, Midwestern State University, or  
16 another agency under the direction and control of the board of  
17 regents of the Texas Tech University System is entitled to  
18 participate in the workers' compensation program for state  
19 employees provided under this chapter.

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

23 SECTION 17. TRANSITION. Section 109.005, Education Code,  
24 as added by this Act, applies only to an action brought against the  
25 board of regents of the Texas Tech University System or a member of  
26 that board in the member's official capacity, the Texas Tech  
27 University System, a component institution of that system, or an

1 officer or employee of that system or component institution thereof  
2 on or after the effective date of this Act.

3 SECTION 18. REPEALER. The following provisions of the  
4 Education Code are repealed:

5 (1) Section 54.241(h);

6 (2) Sections 54.5082, 54.518, 54.5441, 54.5442,  
7 55.1727, 55.1737, 55.1757, and 55.1787; and

8 (3) Chapter 103.

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