BILL ANALYSIS

Senate Research Center 78R5315 JSA-D

S.B. 1717 By: Brimer Subcommittee on Higher Education 4/6/2003 As Filed

DIGEST AND PURPOSE

As proposed, S.B. 1717 takes The University of Texas at Arlington out of The University of Texas System and makes it a stand-alone university with its own board of regents.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the board of regents of The University of Texas at Arlington in SECTION 3 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. AMENDMENT. Amends Subtitle F, Title 3, Education Code, by adding Chapter 112, as follows:

CHAPTER 112. THE UNIVERSITY OF TEXAS AT ARLINGTON SUBCHAPTER A. GENERAL PROVISIONS

Sec. 112.001. DEFINITIONS. Defines "board" and "university."

[Reserves Sections 112.002-112.020 for expansion.]

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 112.021. BOARD OF REGENTS. (a) Provides that the board of regents of The University of Texas at Arlington (UT-Arlington) is composed of nine members appointed by the governor with the advice and consent of the senate.

- (b) Provides that the members of the board serve staggered terms of six years, with the terms of three members expiring February 1 of each odd-numbered year.
- (c) Requires a vacancy on the board to be filled by the governor for the unexpired term.

[Reserves Sections 112.022-112.050 for expansion.]

SUBCHAPTER C. POWERS AND DUTIES OF BOARD

Sec. 112.051. GENERAL POWERS AND DUTIES. (a) Provides that the organization, control, and management of the university are vested in the board.

(b) Provides that the board has the same powers and duties with respect to the university as are conferred on the board of regents of The University of Texas System with respect to The University of Texas at Austin.

Sec. 112.052. EMINENT DOMAIN: RESTRICTION. Prohibits the board from using the power of eminent domain to acquire land that is dedicated to a public use by another governmental entity.

SUBCHAPTER D. THE UNIVERSITY OF TEXAS AT ARLINGTON

Sec. 112.101. THE UNIVERSITY OF TEXAS AT ARLINGTON. (a) Provides that UT- Arlington is a general academic teaching institution located in the city of Arlington.

- (b) Authorizes the board to prescribe courses leading to such customary degrees as are offered at leading American universities and may award those degrees, including baccalaureate, master's, and doctoral degrees and their equivalents.
- (c) Prohibits a department, school, or degree program from being instituted without the prior approval of the Texas Higher Education Coordinating Board.

SECTION 2. TRANSFER OF GOVERNANCE. Provides that effective September 1, 2004, the governance, control, management, and property of UT-Arlington are transferred from the board of regents of The University of Texas System to the board of regents of The University of Texas at Arlington. Provides that the transfer is governed by Sections 3 through 7 of this Act.

SECTION 3. POWERS AND DUTIES; RULES AND POLICIES. (a) Requires the board of regents of UT-Arlington, when the transfer takes effect, to govern, operate, manage, and control UT-Arlington and all land, buildings, facilities, improvements, equipment, supplies, and property belonging to and constituting UT-Arlington under the powers and duties conferred by law on the board of regents.

(b) Provides that rules and policies adopted by the board of regents of The University of Texas System to govern the university that are in effect when the transfer takes effect are continued in effect until adopted, repealed, or superseded by the board of regents of UT-Arlington. Provides that the board of regents of UT-Arlington may adopt rules and policies applicable to the university in anticipation of the transfer authorized by this Act.

SECTION 4. CONTRACTS AND WRITTEN OBLIGATIONS, INCLUDING BONDS. Provides that contracts and written obligations of every kind and character entered into by the board of regents of The University of Texas System for and on behalf of UT-Arlington, including bonds, are ratified, confirmed, and validated by the board of regents of UT-Arlington on the effective date of the transfer. Provides that in those contracts and written obligations, the board of regents of UT-Arlington is substituted for and stands and acts in the place of the board of regents of The University of Texas System to the extent permitted by law.

SECTION 5. EFFECT OF TRANSFER ON STUDENTS AND EMPLOYEES. (a) Provides that the transfer of the governance of UT-Arlington under this Act does not affect the status of any student of the university.

(b) Provides that the transfer of the governance of UT-Arlington under this Act does not affect the employment status or accrued benefits of a person employed by UT-Arlington when the transfer takes effect.

SECTION 6. CURRENT FUNDING. Provides that all funds that, on the effective date of the transfer, have been dedicated to or are held for the use and benefit of The University of Texas at Arlington under the governance of the board of regents of The University of Texas System are transferred to the board of regents of UT-Arlington for the use and benefit of UT-Arlington.

SECTION 7. LEGISLATIVE INTENT; ROLE OF COORDINATING BOARD. Sets forth legislative intent. Requires the Texas Higher Education Coordinating Board, on application of either board of regents if the boards of regents are unable to agree as to any matter relating to the transfer, to resolve the disagreement consistent with the intent of this section and the provisions of this Act as the coordinating board determines is in the best interest of this state and the institutions under the governance of the boards of regents. Authorizes the coordinating board to issue any orders or take any other action the coordinating board considers appropriate to enforce

this section or to facilitate the transfer consistent with this Act.

SECTION 8. AMENDMENT. Amends Section 54.512(a), Education Code, to make a conforming change.

SECTION 9. AMENDMENT. Amends Section 54.5121(a), Education Code, to make a conforming change.

SECTION 10. AMENDMENT. Amends Section 54.5122(a), Education Code, to make a conforming change.

SECTION 11. AMENDMENT. Amends Section 54.529(a), Education Code, to make a conforming change.

SECTION 12. AMENDMENT. Amends Section 55.1722(a), Education Code, to make conforming changes.

SECTION 13. AMENDMENT. Amends Section 55.1732(a), Education Code, to make conforming changes.

SECTION 14. AMENDMENT. Amends Chapter 55B, Education Code, by adding Section 55.17394 as follows:

Sec. 55.17394. THE UNIVERSITY OF TEXAS AT ARLINGTON. (a) Authorizes the board of regents of UT-Arlington, in addition to the other authority granted by this subchapter, to issue bonds in accordance with this subchapter in the aggregate principal amounts not to exceed the amounts previously authorized by Sections 55.1722 and 55.1732, as those sections existed immediately before this section took effect, less any portion of those amounts for which bonds were issued before the date this section took effect. Provides that bonds issued under this section for an amount previously authorized by Section 55.1722 or 55.1732 may be used only for the purposes for which the bonds for UT-Arlington were authorized to be issued under Section 55.1722 or 55.1732, as applicable.

- (b) Authorizes the board to pledge irrevocably to the payment of the bonds all or any part of the revenue funds of UT-Arlington, including student tuition charges. Prohibits the amount of a pledge made under this subsection from being reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.
- (c) Authorizes any portion of the proceeds of bonds authorized by this section for one or more specified projects that is not required for the specified projects to be used to renovate existing structures and facilities at the university.

SECTION 15. AMENDMENT. Amends Section 65.02(a), Education Code, to make conforming changes.

SECTION 16. REPEALER. (a) Repealer: Chapter 68 (The University of Texas at Arlington), Education Code.

(b) Repealer: Section 54.5122(h) (regarding the board of regents pledging revenue from a fee imposed under this section to pay an obligation issued under the revenue financing system of The University of Texas System), Education Code.

SECTION 17. INITIAL APPOINTMENTS. Requires the governor to make the initial appointments to the board of regents of UT-Arlington not later than January 1, 2004. Requires the governor, in making the initial appointments to the board of regents of UT-Arlington, to appoint three persons to terms expiring February 1, 2005, three persons to terms expiring February 1, 2007, and three persons to terms expiring February 1, 2009.

SECTION 18. EFFECTIVE DATES. (a) Effective date: September 1, 2003, except as provided by Subsection (b) of this section,.

(b) Provides that Chapters 112C and 112D, Education Code, as added by this Act, and Sections 8 through 16 of this Act take effect September 1, 2004.