

By: Darby, Homer, Swinford, Isett, Chavez,
et al.

H.B. No. 3564

Substitute the following for H.B. No. 3564:

By: Brown of Brazos

C.S.H.B. No. 3564

A BILL TO BE ENTITLED

AN ACT

relating to the transfer of Angelo State University to the Texas
Tech University System.

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

SECTION 1. AMENDMENT. Subtitle F, Title 3, Education Code,
is amended by adding Chapter 109A to read as follows:

CHAPTER 109A. ANGELO STATE UNIVERSITY

Sec. 109A.001. ESTABLISHMENT; SCOPE. (a) Angelo State
University is a general academic teaching institution located in
the city of San Angelo.

(b) The university is a component institution of the Texas
Tech University System and is under the management and control of
the board of regents of the Texas Tech University System. The board
of regents has the same powers and duties concerning Angelo State
University as are conferred on the board by statute concerning
Texas Tech University and Texas Tech University Health Sciences
Center.

Sec. 109A.002. COURSES AND DEGREES; RULES; AFFILIATION
AGREEMENTS; JOINT APPOINTMENTS. (a) The board of regents, with the
approval of the Texas Higher Education Coordinating Board, may
prescribe courses at the university leading to customary degrees as
are offered at leading American educational institutions and may
award those degrees, including baccalaureate, master's, and
doctoral degrees and their equivalents.

1 (b) A new department, school, or degree program may not be
2 instituted at the university without the prior approval of the
3 Texas Higher Education Coordinating Board.

4 (c) The board of regents shall adopt rules for the
5 operation, control, and management of the university as may be
6 necessary for the conduct of the university as one of the first
7 class.

8 (d) The board may enter into an affiliation or coordination
9 agreement with any other entity or institution in this state to
10 further the purposes of the university.

11 (e) The board may make joint faculty appointments in Angelo
12 State University and in other institutions under its governance.
13 The board may make a joint faculty appointment in Angelo State
14 University concurrently with the appointment of the faculty member
15 by another institution of higher education in accordance with an
16 affiliation agreement described by Subsection (d). The salary of a
17 person who receives a joint appointment shall be apportioned to the
18 appointing institutions on the basis of services rendered.

19 Sec. 109A.003. OBLIGATIONS AND BENEFITS OF STATE LAW. The
20 university is subject to the obligations and entitled to the
21 benefits of all laws of this state applicable to all other state
22 institutions of higher education, except that this subchapter
23 prevails to the extent of any conflict between this subchapter and
24 any other law of this state.

25 Sec. 109A.004. MILITARY TRAINING. The university may not
26 require a student to participate in military training as a
27 condition for admission to or graduation from the university.

1 SECTION 2. TRANSFER OF GOVERNANCE OF UNIVERSITY. The
2 governance, control, management, and property of Angelo State
3 University are transferred from the board of regents of the Texas
4 State University System to the board of regents of the Texas Tech
5 University System. The transfer is governed by Sections 3 through 7
6 of this Act.

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

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

22 SECTION 4. CONTRACTS AND WRITTEN OBLIGATIONS, INCLUDING
23 BONDS. Contracts and written obligations of every kind and
24 character entered into by the board of regents of the Texas State
25 University System for and on behalf of Angelo State University,
26 including bonds, are considered ratified, confirmed, and validated
27 by the board of regents of the Texas Tech University System on the

1 effective date of the transfer. In those contracts and written
2 obligations, the board of regents of the Texas Tech University
3 System is substituted for and stands and acts in the place of the
4 board of regents of the Texas State University System to the extent
5 permitted by law.

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

7 (a) The transfer of the governance of Angelo State University under
8 this Act does not affect the status of any student of the
9 university.

10 (b) The transfer of the governance of Angelo State
11 University under this Act does not affect the employment status or
12 accrued benefits of a person employed by the university when the
13 transfer takes effect.

14 SECTION 6. CURRENT FUNDING. All funds that, on the
15 effective date of the transfer, have been appropriated or dedicated
16 to or are held for the use and benefit of Angelo State University
17 under the governance of the board of regents of the Texas State
18 University System are transferred to the board of regents of the
19 Texas Tech University System for the use and benefit of Angelo State
20 University.

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

22 It is the intent of the legislature that the transfer of the
23 governance of Angelo State University from the board of regents of
24 the Texas State University System to the board of regents of the
25 Texas Tech University System be made without disrupting the
26 students, faculty, staff, or programs of the university. If those
27 boards of regents are unable to agree as to any matter relating to

1 the transfer, the Texas Higher Education Coordinating Board on
2 application of either board of regents shall resolve the
3 disagreement consistent with the intent of this section and the
4 provisions of this Act as the coordinating board determines is in
5 the best interest of this state and the institutions under the
6 governance of the boards of regents. The coordinating board may
7 issue any orders or take any other action the coordinating board
8 considers appropriate to enforce this section or to facilitate the
9 transfer consistent with this Act and the intent of the
10 legislature.

11 SECTION 8. AMENDMENT. Section 55.1724(a), Education Code,
12 is amended to read as follows:

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

- 22 (1) [~~Angelo State University, \$20 million,~~
23 [~~2~~] Lamar University--Beaumont, \$8 million;
24 (2) [~~3~~] Lamar Institute of Technology, \$2 million;
25 (3) [~~4~~] Lamar State College--Orange, \$3.5 million;
26 (4) [~~5~~] Lamar State College--Port Arthur, \$2.75
27 million;

- 1 (5) [~~(6)~~] Sam Houston State University, \$7.5 million;
2 (6) [~~(7)~~] Texas State University--San Marcos, \$19.7
3 million; and
4 (7) [~~(8)~~] Sul Ross State University, \$17.5 million.

5 SECTION 9. AMENDMENT. Section 55.1734(a), Education Code,
6 is amended to read as follows:

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

14 (1) [~~Angelo State University, \$16,917,550 to expand~~
15 ~~and renovate institutional facilities,~~

16 ~~(2)~~ Lamar University--Beaumont, \$21,792,096 to
17 renovate and repair campus buildings;

18 (2) [~~(3)~~] Lamar Institute of Technology, \$5,301,960
19 to renovate Gentry Hall and convert it to classroom and laboratory
20 use;

21 (3) [~~(4)~~] Lamar State College--Orange, \$2,125,000 for
22 campus landscaping, renovation of the old library for physical
23 plant purposes, renovation of the Main Building and Electronics
24 Commerce Resource Center, and demolition of the old physical plant
25 building;

26 (4) [~~(5)~~] Lamar State College--Port Arthur,
27 \$7,650,000 to construct a performing arts and classroom building

1 and to expand the Gates Memorial Library and develop an adjacent
2 plaza;

3 (5) [~~(6)~~] Sam Houston State University, \$18 million to
4 renovate and expand the Farrington Building;

5 (6) [~~(7)~~] Texas State University--San Marcos,
6 \$18,436,500 to construct a business building; and

7 (7) [~~(8)~~] Sul Ross State University, \$15,175,000 to
8 renovate and expand the range animal science facility and science
9 building annex and to carry out other building renovations.

10 SECTION 10. AMENDMENT. Subchapter B, Chapter 55, Education
11 Code, is amended by adding Section 55.1769 to read as follows:

12 Sec. 55.1769. ANGELO STATE UNIVERSITY. (a) In addition to
13 the other authority granted by this subchapter, the board of
14 regents of the Texas Tech University System may issue bonds in
15 accordance with this subchapter in the aggregate principal amounts
16 not to exceed the amounts previously authorized for Angelo State
17 University by Sections 55.1724 and 55.1734, as those sections
18 existed immediately before this section took effect, less any
19 portion of those amounts for which bonds were issued under those
20 sections for the university before the date this section took
21 effect. Subject to Subsection (d), bonds issued under this section
22 for an amount previously authorized by Section 55.1724 or 55.1734
23 may be used only at Angelo State University for the purposes for
24 which the bonds for Angelo State University were authorized to be
25 issued under Section 55.1724 or 55.1734, as applicable.

26 (b) The board may pledge irrevocably to the payment of those
27 bonds all or any part of the revenue funds of an institution,

1 branch, or entity of the Texas Tech University System, including
2 student tuition charges. The amount of a pledge made under this
3 subsection may not be reduced or abrogated while the bonds for which
4 the pledge is made, or bonds issued to refund those bonds, are
5 outstanding.

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

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

16 SECTION 11. AMENDMENT. Section 62.021(a), Education Code,
17 is amended to read as follows:

18 (a) In each state fiscal year beginning with the state
19 fiscal year ending August 31, 2008, an eligible institution is
20 entitled to receive an amount allocated in accordance with this
21 section from funds appropriated for that year by Section 17(a),
22 Article VII, Texas Constitution. The comptroller shall distribute
23 funds allocated under this subsection only on presentation of a
24 claim and issuance of a warrant in accordance with Section 403.071,
25 Government Code. The comptroller may not issue a warrant from any
26 funds allocated under this subsection before the delivery of goods
27 or services described in Section 17, Article VII, Texas

1 Constitution, except for the payment of principal or interest on
2 bonds or notes or for a payment for a book or other published
3 library material as authorized by Section 2155.386, Government
4 Code. The allocation of funds under this subsection is made in
5 accordance with an equitable formula consisting of the following
6 elements: space deficit, facilities condition, institutional
7 complexity, and a separate allocation for the Texas State Technical
8 College System. The annual amounts allocated by the formula are as
9 follows:

- 10 (1) \$3,434,348 to Midwestern State University;
- 11 (2) \$26,137,233 to the University of North Texas;
- 12 (3) \$8,139,391 to the University of North Texas Health
13 Science Center at Fort Worth;
- 14 (4) \$12,882,348 to The University of Texas--Pan
15 American;
- 16 (5) \$4,186,790 to The University of Texas at
17 Brownsville;
- 18 (6) \$7,025,771 to Stephen F. Austin State University;
- 19 (7) to the following component institutions of the
20 Texas State University System:
- 21 (A) \$11,210,508 to Lamar University;
- 22 (B) \$1,115,048 to Lamar State College--Orange;
- 23 (C) \$1,190,119 to Lamar State College--Port
24 Arthur;
- 25 (D) [~~\$3,585,802 to Angelo State University,~~
- 26 [~~E~~] \$9,916,306 to Sam Houston State
27 University;

1 (E) [~~(F)~~] \$19,799,276 to Texas State
2 University--San Marcos;

3 (F) [~~(G)~~] \$2,043,772 to Sul Ross State
4 University; and

5 (G) [~~(H)~~] \$379,831 to Sul Ross State
6 University-Rio Grande College;

7 (8) \$11,156,463 to Texas Southern University;

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

10 (A) \$26,829,477 to Texas Tech University;

11 (B) [~~(10)~~] \$17,849,441 to Texas Tech University
12 Health Sciences Center; and

13 (C) \$3,585,802 to Angelo State University;

14 (10) [~~(11)~~] \$8,424,209 to Texas Woman's University;

15 (11) [~~(12)~~] to the following component institutions
16 of the University of Houston System:

17 (A) \$35,276,140 to the University of Houston;

18 (B) \$2,282,883 to the University of
19 Houston--Victoria;

20 (C) \$6,001,337 to the University of
21 Houston--Clear Lake; and

22 (D) \$9,628,151 to the University of
23 Houston--Downtown;

24 (12) [~~(13)~~] to the following component institutions
25 of The Texas A&M University System:

26 (A) \$8,278,993 to Texas A&M University--Corpus
27 Christi;

1 (B) \$3,130,211 to Texas A&M International
2 University;

3 (C) \$5,052,232 to Texas A&M
4 University--Kingsville;

5 (D) \$4,776,890 to West Texas A&M University;

6 (E) \$5,345,678 to Texas A&M
7 University--Commerce; and

8 (F) \$1,646,352 to Texas A&M
9 University--Texarkana; and

10 (13) [~~14~~] \$5,775,000 to the Texas State Technical
11 College System Administration and the following component
12 campuses, but not its extension centers or programs:

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

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

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

16 and

17 (D) Texas State Technical College--Waco.

18 SECTION 12. AMENDMENT. Section 501.022, Labor Code, is
19 amended to read as follows:

20 Sec. 501.022. EMPLOYEES OF COMPONENT INSTITUTIONS OF TEXAS
21 TECH UNIVERSITY SYSTEM [~~EMPLOYEES~~]. (a) An eligible employee of
22 Texas Tech University, Texas Tech University Health Sciences
23 Center, Angelo State University, or another agency under the
24 direction and control of the board of regents of Texas Tech
25 University System [~~and Texas Tech University Health Sciences~~
26 ~~Center~~] is entitled to participate in the workers' compensation
27 program for state employees provided under this chapter.

1 (b) For purposes of this chapter, Texas Tech University is a
2 state agency and shall act in the capacity of employer.

3 (c) For purposes of this chapter, Texas Tech University
4 Health Sciences Center is a state agency and shall act in the
5 capacity of employer.

6 (d) For purposes of this chapter, Angelo State University is
7 a state agency and shall act in the capacity of employer.

8 SECTION 13. REPEALER. Subchapter B, Chapter 96, Education
9 Code, is repealed.

10 SECTION 14. EFFECTIVE DATE. This Act takes effect January
11 1, 2008.