# **BILL ANALYSIS**

S.B. 120 By: Rodríguez Higher Education Committee Report (Unamended)

## BACKGROUND AND PURPOSE

According to interested parties, the board of regents of the Texas Tech University System recently voted to initiate the process of establishing a freestanding health sciences university with degree-granting authority in El Paso to join Texas Tech University, Texas Tech University Health Sciences Center, and Angelo State University under the university system.

The parties contend that, as an independent health sciences university, Texas Tech University Health Sciences Center at El Paso will be able to focus its efforts on reducing the shortage of health care professionals in the region, continuing its research on diseases that affect Latino and border populations, and providing quality health care. The parties further contend that the creation of a stand-alone health sciences university will help grow the Medical Center of the Americas and spur regional economic development.

S.B. 120 seeks to establish the Texas Tech University Health Sciences Center at El Paso as an independent component institution of the Texas Tech University System.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the board of regents of the Texas Tech University System in SECTION 4 of this bill.

### ANALYSIS

S.B. 120 amends the Education Code to establish the Texas Tech University Health Sciences Center at El Paso as a component institution of the Texas Tech University System under the direction, management, and control of the system's board of regents. The bill specifies that the center is not a department, school, or branch of any other institution in the system and that the center is composed of a medical school and other components assigned by law or by the board of regents.

S.B. 120 establishes that the board of regents has the same powers of direction, management, and control over the center as the board of regents exercises over the system's other component institutions. The bill authorizes the board of regents to prescribe courses leading to customary degrees and to adopt rules for the operation, control, and management of the center as necessary for conducting a health sciences center of the first class. The bill authorizes the board of regents to execute and carry out an affiliation or coordinating agreement with any other entity or institution and to make joint appointments in the center and any other component institution of the system. The bill requires the salary of a person who receives a joint appointment to be apportioned between the appointing institutions on the basis of services rendered.

S.B. 120 sets out provisions relating to the provision of physical facilities for the center, the establishment of one or more teaching hospitals for the center, continuing supervision of the center by the Texas Higher Education Coordinating Board, and the solicitation, acceptance, and administration of gifts and grants from any public or private person or entity for the use and

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benefit of the center.

S.B. 120 entitles the center to participate in the constitutionally appropriated higher education fund if, in accordance with the constitutional provision providing for that funding, the bill receives a vote of two-thirds of all the members elected to each house of the legislature, with the funding to begin with the annual appropriation for the state fiscal year beginning September 1, 2015. The bill requires the center to be included in the allocation made for each 10-year allocation period under the constitutional provision, beginning with the allocation made in 2015. The bill adds a similar provision to statutory provisions relating to amounts allocated from the higher education fund by the equitable allocation formula in support of institutions of higher education to reflect the newly granted entitlement to such funding, effective contingent on a two-thirds vote. The bill establishes that this latter provision does not take effect if the bill does not receive the necessary two-thirds vote.

S.B. 120 makes an employee of the Texas Tech Diabetes Research Center an employee of the Texas Tech University Health Sciences Center at El Paso, rather than an employee of the Texas Tech University System. The bill requires the board of regents to select a site for the research center at the Texas Tech University Health Sciences Center at El Paso, rather than at the regional academic health center of the Texas Tech University Health Sciences Center at El Paso.

S.B. 120 changes the references to the Texas Tech University Health Sciences Center to references to the Texas Tech University System in statutory provisions relating to the compensation of resident physicians, medical malpractice coverage for certain institutions, and the medical professional liability fund. The bill adds the center at El Paso to a statutory provision prohibiting funds appropriated to certain specified health sciences centers from being used to establish or maintain the fund, to purchase insurance, or to employ private legal counsel. The bill redefines "medical and dental unit" in provisions relating to the coordinating board to include the Texas Tech University Health Sciences Center and the Texas Tech University Health Sciences Center at El Paso and redefines "medical school" as it relates to contracts for medical residency programs to include the medical school at the Texas Tech University Health Sciences Center at El Paso. The bill includes the center at El Paso among the health-related institutions of higher education hosting programs eligible to receive funding from the permanent health fund for higher education.

S.B. 120 requires the board of regents of the Texas Tech University System, as soon as practicable following the bill's effective date consistent with available resources, any required approval by the coordinating board, and the goal of minimizing unnecessary disruption of existing programs, students, faculty, and staff in El Paso, to establish the Texas Tech University Health Sciences Center at El Paso and to assign existing programs and facilities of the system located in El Paso County to the center to the extent those programs and facilities support the mission and purposes of the center.

### EFFECTIVE DATE

Except as otherwise provided, on passage, or, if the bill does not receive the necessary vote, September 1, 2013.