

By: Duncan

S.B. No. 986

A BILL TO BE ENTITLED

AN ACT

1
2 Relating to the powers and duties of the board of regents of the
3 Texas Tech University System.

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

5 SECTION 1. Subchapter A, is amended to read as follows:

6 SUBCHAPTER A. GENERAL AND ADMINISTRATIVE PROVISIONS

7 SECTION 2. Section 109.001, Education Code, is amended by
8 adding Subsection (d) to read as follows:

9 (d) The board is authorized, upon terms and conditions
10 acceptable to it, to accept, retain in depositories of its
11 choosing, and administer gifts, grants, or donations of any kind,
12 from any source, for use by the system or any of the component
13 institutions of the system.

14 SECTION 3. Sections 109.21, 109.22, and 109.23, are
15 transferred to Subchapter A, Chapter 109, as amended by this Act,
16 redesignated as Sections 109.002, 109.003, 109.004, Education
17 Code, and amended to read as follows:

18 Sec. 109.002 [~~109.21~~]. BOARD OF REGENTS. The government,
19 control, and direction of the policies of the university system and
20 the component institutions are vested in a board of nine regents,
21 who shall be appointed by the governor with the advice and consent
22 of the senate.

23 Sec. 109.003 [~~109.22~~]. BOARD MEMBERS: TERMS, VACANCIES.
24 [~~Except for the initial appointees, m~~] Members will hold office for

1 ~~[of]~~ terms of six years expiring on January 31 of odd-numbered
2 years. ~~[In making the initial appointments, the governor shall~~
3 ~~designate three for terms expiring in 1971, three for terms~~
4 ~~expiring in 1973, and three for terms expiring in 1975]~~. Any
5 vacancy shall be filled for the unexpired portion of the term by
6 appointment by the governor with the advice and consent of the
7 senate.

8 Sec. 109.004 ~~[109.23]~~. CHIEF EXECUTIVE OFFICER:
9 SELECTION, DUTIES. The board shall appoint ~~[provide]~~ a chief
10 executive officer, who shall devote his attention to the executive
11 management of the university system and who shall be directly
12 accountable to the board for the conduct of the university system.
13 The board, when required by law to be the governing body of any
14 other state educational institution or facility, shall also direct
15 the chief executive officer to be directly responsible for the
16 executive management of that other institution or facility.

17 SECTION 4. Subchapters B and C are amended to read as
18 follows:

19 SUBCHAPTER B. ~~[ADMINISTRATIVE PROVISIONS]~~

20 ~~[SUBCHAPTER C.]~~ POWERS AND DUTIES

21 SECTION 5. Sections 109.41, 109.42, 109.48, AND 109.54, are
22 transferred to Subchapter B, Chapter 109, as amended by this Act,
23 redesignated as Sections 109.005, 109.006, 109.007 and 109.008,
24 Education Code, and amended to read as follows:

25 Sec. 109.005 ~~[109.41]~~. EMINENT DOMAIN. The board of
26 regents has the power of eminent domain to acquire land and
27 improvements needed to carry out the purposes of the university

1 system and the component institutions.

2 Sec. 109.006 [~~109.42~~]. RESIDENCES FOR CHANCELLOR AND
3 PRESIDENTS. The board may purchase a house or may purchase land and
4 construct a house suitable for the residence of the chancellor of
5 the university system or a president of [the] a component
6 university.

7 Sec. 109.007 [~~109.48~~]. UTILITIES EASEMENTS. On terms,
8 conditions, stipulations, and compensation as determined by the
9 board, the board may convey, dedicate, or use any other appropriate
10 method of conveyance to grant, convey, or dedicate rights, title,
11 rights-of-way, or easements involving or in connection with the
12 furnishing or providing of electricity, water, sewage disposal,
13 natural gas, telephone, telegraph, or other utility service on,
14 over, or through the campuses of the Texas Tech University System
15 and the component institutions [in Lubbock County]. The chairman
16 of the board may execute and deliver conveyances or dedications on
17 behalf of [~~Texas Tech University~~] the university system and the
18 component institutions.

19 Sec. 109.008 [~~109.54~~]. MANAGEMENT OF LANDS. The board has
20 the sole and exclusive management and control of lands set aside and
21 appropriated to or acquired by the institutions under its
22 governance. The board may lease, sell, exchange, acquire, dispose
23 of, and otherwise manage, control, and use the lands in any manner
24 and at prices and under terms and conditions the board deems best
25 for the interest of the institutions. However, the board may not
26 sell any of the original main campus of Texas Tech University
27 located in Lubbock, Lubbock County, unless the sale is approved by

1 act of the legislature. No grazing lease shall be made for a period
2 of more than five years.

3 SECTION 6. Chapter 109, Education Code, is amended by
4 adding Subchapter E.

5 SUBCHAPTER E. TEXAS TECH UNIVERSITY

6 SECTION 7. Sections 109.01, 109.43, 109.45, and 109.52 are
7 transferred to Subchapter E, Chapter 109, as amended by this Act,
8 redesignated as Sections 109.01, 109.02, 109.03, and 109.04 and
9 amended to read as follows:

10 Sec. 109.01. TEXAS TECH UNIVERSITY. Texas Tech University
11 is a coeducational institution of higher education located in the
12 city of Lubbock.

13 Sec. 109.02 [~~109.43~~]. DORMITORIES: RULES AND REGULATIONS.
14 The board may adopt rules and regulations it deems advisable
15 requiring any class or classes of students to reside in university
16 dormitories or other buildings.

17 Sec. 109.03 [~~109.45~~]. [~~CITY~~] MUSEUM. (a) The board may
18 establish [~~rent, lease, or convey, for a sum of money to be~~
19 ~~determined by the board, a part of the campus, not to exceed four~~
20 ~~acres, to the city of Lubbock for the sole purpose of building, with~~
21 ~~bonds or current city taxes, and maintaining with city tax money,~~] a
22 history, science, and art museum.

23 (b) The board may provide [~~rent or lease~~] a building or any
24 part of a building [~~on the parcel of land to the city of Lubbock~~] for
25 the sole purpose of maintaining a history, science, and art museum
26 [~~for a sum of money~~] to [~~be determined by the board~~].

27 Sec. 109.04 [~~109.52~~]. DONATIONS, GIFTS, GRANTS, AND

1 ENDOWMENTS. The board may accept donations, gifts, grants, and
2 endowments for Texas Tech University to be held for the benefit of
3 the institution [~~in trust~~] and administered by the board.

4 SUBCHAPTER F. MINERAL DEVELOPMENT IN UNIVERSITY LAND

5 SECTION 8. Sections 109.61 through 109.80, Chapter 109,
6 Education Code, are redesignated as Sections 109.020 through
7 109.040, Education Code and amended to read as follows:

8 Sec. 109.020. [~~109.61~~]. MINERAL LEASES; DISPOSITION OF
9 PROCEEDS. (a) The board may lease for oil, gas, sulphur, or other
10 mineral development to the highest bidder at public auction all or
11 part of the lands under the exclusive control of the board owned by
12 the State of Texas and acquired for the use of Texas Tech University
13 and its divisions.

14 (b) Any money received by virtue of this section shall be
15 deposited in a special fund managed by the board to be known as the
16 Texas Tech University special mineral fund. Money in the fund is
17 considered to be institutional funds, as defined by Section 51.009,
18 of the university and is to be used exclusively for the university
19 [~~and its branches and divisions~~]. All deposits in and investments
20 of the funds shall be made in accordance with Section 51.0031.
21 Section 34.017, Natural Resources Code, does not apply to the
22 funds.

23 Sec. 109.021 [~~109.62~~]. MAJORITY OF BOARD TO ACT. A
24 majority of the board has power to act in all cases under this
25 subchapter except as otherwise provided in this subchapter.

26 Sec. 109.022 [~~109.63~~]. SUBDIVISION OF LAND; TITLES. (a)
27 The board may have the lands surveyed or subdivided into tracts,

1 lots, or blocks which, in their judgment, will be most conducive and
2 convenient to an advantageous sale or lease of oil, gas, sulphur, or
3 other minerals in and under and that may be produced from the lands;
4 and the board may make maps and plats which it deems necessary to
5 carry out the purposes of this subchapter.

6 (b) The board may obtain authentic abstracts of title to the
7 lands from time to time as it deems necessary and may take necessary
8 steps to perfect a merchantable title to the lands.

9 Sec. 109.023 [~~109.64~~]. SALE OF LEASES; ADVERTISEMENTS;
10 PAYMENTS. (a) Whenever in the opinion of the board there is a
11 demand for the purchase of oil, gas, sulphur, or other mineral
12 leases on any tract or part of any tract of land which can be [~~will~~]
13 reasonably expected to result in [~~insure~~] an advantageous sale, the
14 board shall place the oil, gas, sulphur, or other mineral leases on
15 the land on the market in a tract or tracts, or any part of a tract,
16 which the board may designate.

17 (b) The board shall have advertised a brief description of
18 the land from which the oil, gas, sulphur, or other minerals is
19 proposed to be leased. The advertisement shall be made by
20 publishing [~~inserting~~] in two or more papers of general circulation
21 in this state, and in addition, the board may, in its discretion,
22 cause the advertisement to be placed in an oil and gas journal
23 published in and out of the state. The board may also mail copies of
24 the proposals to the county judge of the county where the lands are
25 located and to other persons the board believes would be
26 interested. The board may specify that publication of the offer by
27 electronic means, such as internet posting, shall satisfy the

1 requirement for publication of the advertisement in two or more
2 papers of general circulation in this state.

3 (c) The board may sell the lease or leases to the highest
4 bidder at public auction [~~at the university in Lubbock at any hour~~
5 ~~between 10 a. m. and 5 p. m.~~]

6 (d) The highest bidder shall pay to the board on the day of
7 the sale 25 percent of the bonus bid, and the balance of the bid
8 shall be paid within 24 hours after the bidder is notified that the
9 bid has been accepted. Payments shall be made in cash, certified
10 check, [~~or~~] cashier's check or electronic payment, as the board
11 directs. The failure of the bidder to pay the balance of the amount
12 bid will forfeit to the board the 25 percent of the bonus bid paid.

13 Sec. 109.024 [~~109.65~~]. SEPARATE BIDS; MINIMUM ROYALTY;
14 DELAY RENTAL. (a) A separate bid shall be made for each tract or
15 subdivision of a tract.

16 (b) No bid shall be accepted which offers a royalty of less
17 than one-eighth of the gross production of oil, gas, sulphur, and
18 other minerals in the land bid upon. [~~And~~] The board may increase
19 this minimum royalty [~~may be increased~~] at the discretion of the
20 board.

21 (c) Every bid shall carry the obligation to pay an amount
22 not less than \$ 5[~~1~~] per acre for delay in drilling or development.
23 The amount shall be fixed by the board in advance of the
24 advertisement. The delay rental [~~amount fixed~~] shall be paid every
25 year for five years unless in the meantime production in paying
26 quantities is had upon the land or the land is released by the
27 lessee.

1 Sec. 109.025 [~~109.66~~]. REJECTION OF BIDS; WITHDRAWAL OF
2 LAND. The board may reject any and all bids and may withdraw any
3 land advertised for lease.

4 Sec. 109.026 [~~109.67~~]. ACCEPTANCE; CONDITIONS AND
5 PROVISIONS OF LEASE. (a) If, in the opinion of the board, [~~any one~~
6 ~~of~~] the highest bidder[~~s~~] has offered a reasonable and proper price
7 for any tract, which is not less than the price set by the board, the
8 lands advertised may be leased for oil, gas, sulphur, and other
9 mineral purposes under the terms of this section and subject to
10 regulations prescribed by the board which are not inconsistent with
11 the provisions of this section. In the event no bid is accepted by
12 the board at public auction, any subsequent procedure for the sale
13 of the leases shall be in the manner prescribed in the preceding
14 sections.

15 (b) No lease shall be made by the board which will permit the
16 drilling or mining for oil, gas, sulphur, or other minerals within
17 500 [~~300~~] feet of any building or structure on the land without the
18 consent of the board. In making any lease on any experimental
19 station or farm, the lease shall provide that the operations for
20 oil, gas, and other minerals shall not in any way interfere with use
21 of the land for university purposes and shall not cause the
22 abandonment of the property or its use for experimental farm
23 purposes. The lease shall also provide that the lessee operating
24 the property shall drill and carry on its [~~his~~] operations in such a
25 way as not to interfere with use's [~~cause the abandonment~~] of the
26 property for university purposes, and the leased property shall be
27 subject to the use by the state for all university purposes[~~, and~~

1 ~~the board shall continue to operate the university].~~

2 Sec. 109.027 [~~109.68~~]. ACCEPTANCE AND FILING OF BIDS;
3 YEARLY PAYMENTS; TERMINATION OF LEASE. (a) If the board determines
4 that a satisfactory bid has been received for the oil, gas, sulphur,
5 or other mineral lands, it shall accept the bid and reject all
6 others and shall file the accepted bid in the general land office.

7 (b) [~~Whenever the royalties shall amount to as much as the~~
8 ~~yearly payments fixed by the board, the yearly payments may be~~
9 ~~discontinued~~].

10 [~~(c)~~] If before the expiration of five years oil, gas,
11 sulphur, or other minerals have not been produced in paying
12 quantities, the lease shall terminate unless extended as provided
13 in Sections 109.029 [~~109.70~~] and 109.030 [~~109.71~~] of this code.

14 Sec. 109.028 [~~109.69~~]. AWARD AND FILING OF LEASE. If the
15 board determines that a satisfactory bid has been received for the
16 oil, gas, sulphur, or other minerals, it shall make an award to the
17 bidder offering the highest price, and a lease shall be filed in the
18 general land office.

19 Sec. 109.029 [~~109.70~~]. EXPLORATORY TERM OF LEASE;
20 EXTENSION; OTHER PROVISIONS. (a) The exploratory term of a lease
21 as determined by the board prior to the promulgation of the
22 advertisement shall not exceed five years, and each lease shall
23 provide that the lease will terminate at the expiration of its
24 exploratory term unless by unanimous vote of the board the lease is
25 extended for a period not to exceed [~~of~~] three years.

26 (b) [~~The lease may be extended if the board finds that there~~
27 ~~is a likelihood of oil, gas, sulphur, or other minerals being~~

1 ~~discovered by the lessees, and that the lessees have proceeded with~~
2 ~~diligence to protect the interest of the state.]~~ If oil, gas,
3 sulphur, or other minerals are being produced in paying quantities
4 from the premises, the lease shall continue in force and effect as
5 long as the oil, gas, sulphur, or other minerals are being so
6 produced. No extension may be made by the board until the last 30
7 days of the original term of the lease.

8 (c) The lease shall include additional provisions and
9 regulations prescribed by the board to preserve the interest of the
10 state, not inconsistent with the provisions of this subchapter.

11 Sec. 109.030 [~~109.71~~]. EXTENSION OF LEASES. When in the
12 discretion of the board it is deemed for the best interest of the
13 state to extend a lease issued by the board, the board may by
14 unanimous vote extend the lease for a period not to exceed three
15 years, on the condition that the lessee shall continue to pay yearly
16 rental as provided in the lease and shall comply with any additional
17 terms [~~which~~] the board requires [~~may see fit and proper to demand~~].
18 The board may extend the lease and execute an extension agreement.

19 Sec. 109.031 [~~109.72~~]. CONTROL OF DRILLING AND PRODUCTION.
20 The drilling for and the production of oil, gas, and other minerals
21 from the lands shall be governed and controlled by the Railroad
22 Commission of Texas and other applicable regulatory bodies which
23 govern and control other fields in this state.

24 Sec. 109.032 [~~109.73~~]. DRILLING OPERATIONS: SUSPENSION OF
25 RENT; CONTINUANCE OF LEASE; DUTY TO PREVENT DRAINAGE. (a) If
26 during the term of a lease issued under the provisions of this
27 subchapter the lessee is engaged in actual drilling operations for

1 the discovery of oil, gas, sulphur, or other minerals, no rentals
2 shall be payable as to the tract on which the operations are being
3 conducted as long as the operations are proceeding in a good and
4 workmanlike manner in a bona fide attempt to produce oil, gas,
5 sulphur or other minerals from the well [~~faith~~].

6 (b) In the event oil, gas, sulphur, or other minerals are
7 discovered in paying quantities on any tract of land covered by a
8 lease, then the lease as to that tract shall remain in force as long
9 as oil, gas, sulphur, or other minerals are produced in paying
10 quantities from the tract.

11 (c) In the event of the discovery of oil, gas, sulphur, or
12 other minerals on any tract covered by a lease or on any land
13 adjoining the tract, the lessee shall conduct such operations as
14 may be necessary to prevent drainage from the tract covered by the
15 lease to properly develop the same to the extent that a reasonably
16 prudent man would do under the same and similar circumstances.

17 Sec. 109.033 [~~109.74~~]. TITLE TO RIGHTS PURCHASED;
18 ASSIGNMENT; RELINQUISHMENT. (a) Title to all rights purchased may
19 be held by the lessee [~~owners~~] as long as the area produces oil,
20 gas, sulphur, or other minerals in paying quantities.

21 (b) All rights purchased may be assigned. All assignments
22 shall be filed in the general land office as prescribed by rule,
23 accompanied by 10 cents per acre for each acre assigned and the
24 filing fee as prescribed by rule. An assignment shall not be
25 effective unless filed as required by rule.

26 (c) All rights to all or any part of a leased tract may be
27 released to the state at any time by recording a release instrument

1 in the county or counties in which the tract is located. Releases
2 shall also be filed with the chairman of the board and the general
3 land office, accompanied by the filing fee prescribed by rule. A
4 release shall not relieve the lessee [~~owner~~] of any obligations or
5 liabilities incurred prior to the release.

6 (d) The board shall authorize the required infrastructure
7 [~~laying of pipeline and telephone line~~] and the opening of roads
8 deemed reasonably necessary in carrying out the purposes of this
9 subchapter.

10 Sec. 109.034 [~~109.75~~]. PAYMENT OF ROYALTIES; RECORDS;
11 REPORT OF RECEIPTS. (a) If oil, gas, or other minerals are
12 developed on any of the lands leased by the board, the royalty as
13 stipulated in the sale shall be paid to the general land office in
14 Austin on or before the last day of each month for the preceding
15 month during the life of the rights purchased. The royalty payments
16 shall be set aside as specified in Section 109.020 [~~109.61~~] and used
17 as provided in that section.

18 (b) The royalty paid to the general land office shall be
19 accompanied by the sworn statement of the lessee [~~owner~~], manager,
20 or other authorized agent showing the gross amount of oil, gas,
21 sulphur, or other minerals produced and sold off the premises and
22 the market value of the minerals, together with a copy of all daily
23 gauges, or vats, tanks, gas meter readings, pipeline receipts, gas
24 line receipts, and other checks and memoranda of the amounts
25 produced and put into pipelines, vats, tanks, or pool and gas lines
26 or gas storage. The books and accounts, receipts and discharges of
27 all wells, tanks, vats, pools, meters, and pipelines, and all

1 contracts and other records pertaining to the production,
2 transportation, sale, and marketing of the oil, gas, sulphur, or
3 other minerals shall at all times be subject to inspection and
4 examination by any member of the board or any duly authorized
5 representative of the board.

6 (c) The commissioner of the general land office shall tender
7 to the board on or before the 10th day of each month a report of all
8 receipts that are collected from the lease or sale of oil, gas,
9 sulphur, or other minerals and that are deposited in the special
10 fund as provided by Section 109.020 [~~109.61~~] during the preceding
11 month.

12 Sec. 109.035 [~~109.76~~]. PROTECTION FROM DRAINAGE;
13 FORFEITURE OF RIGHTS. (a) In every case where the area in which
14 oil, gas, sulphur, or other minerals sold is contiguous or adjacent
15 to lands which are not lands belonging to and held by the
16 university, the acceptance of the bid and the sale made thereby
17 shall constitute an obligation of the lessee [~~owner~~] to adequately
18 protect the land leased from drainage from the adjacent lands to the
19 extent that a reasonably prudent operator would do under the same
20 and similar circumstances.

21 (b) In cases where the area in which the oil, gas, sulphur,
22 or other minerals sold is contiguous to other lands belonging to and
23 held by the university which have been leased or sold at a lesser
24 royalty, the lessee [~~owner~~] shall protect the land from drainage
25 from the lands leased or sold for a lesser royalty.

26 (c) On failure to protect the land from drainage as provided
27 in this section, the sale and all rights acquired may be forfeited

1 by the board in the manner provided in Section 109.036 [~~109.77~~] of
2 this code for forfeitures.

3 Sec. 109.036 [~~109.77~~]. FORFEITURE AND OTHER REMEDIES;
4 LIENS. (a) Leases granted under the provisions of this chapter are
5 subject to forfeiture by the board by an order entered in the
6 minutes of the board reciting the acts or omissions constituting a
7 default and declaring a forfeiture.

8 (b) Any of the following acts or omissions constitutes a
9 default:

10 (1) the failure or refusal by the lessee [~~owner~~] of the
11 rights acquired under this chapter to make a payment of a sum due,
12 either as rental or royalty on production, within 30 days after the
13 payment becomes due;

14 (2) the making of a false return or false report
15 concerning production, royalty, drilling, or mining by the lessee
16 [~~owner~~] or his authorized agent;

17 (3) the failure or refusal of the lessee [~~owner~~] or his
18 agent to drill an offset well or wells in good faith, as required by
19 the lease;

20 (4) the refusal of the lessee [~~owner~~] or his agent to
21 allow the proper authorities access to the records and other data
22 pertaining to the operations authorized in this subchapter;

23 (5) the failure or refusal of the lessee [~~owner~~] or his
24 authorized agent to give correct information to the proper
25 authorities, or to furnish the log of any well within 30 days after
26 production is found in paying quantities; or

27 (6) the violation by the lessee [~~owner~~] of any

1 material term of the lease.

2 (c) The board may, if it so desires, have suit for
3 forfeiture instituted through the attorney general.

4 (d) On proper showing by the forfeiting lessee [~~owner~~]
5 within 30 days after the declaration of forfeiture, the lease may be
6 reinstated at the discretion of the board and upon terms prescribed
7 by the board.

8 (e) In case of violation by the lessee [~~owner~~] of the lease
9 contract, the remedy of forfeiture shall not be the exclusive
10 remedy, and the state may institute suit for damages or specific
11 performance or both.

12 (f) The state shall have a first lien on oil, gas, sulphur,
13 or other minerals produced or that may be produced in the leased
14 area, and on all rigs, tanks, vats, pipelines, telephone lines, and
15 machinery and appliances used in the production and handling of
16 oil, gas, sulphur, or other minerals produced, to secure the amount
17 due from the lessee [~~owner of the lease~~].

18 Sec. 109.037 [~~109.78~~]. FILING OF DOCUMENTS AND PAYMENT OF
19 ROYALTIES, FEES, AND RENTALS. (a) All surveys, files, copies of
20 sale and lease contracts, and other records pertaining to the sales
21 and leases authorized in this subchapter shall be filed in the
22 general land office and shall constitute archives.

23 (b) Payment of all royalties, lease fees, rentals for delay
24 in drilling or mining, filing fees for assignments and
25 relinquishments, and all other payments shall be made to the
26 commissioner of the general land office at Austin. The
27 commissioner shall transmit all payments received to the board for

1 deposit to the credit of the Texas Tech University special mineral
2 fund as provided by Section 109.020 [~~109.61~~].

3 Sec. 109.038 [~~109.79~~]. FORMS, REGULATIONS, RULES, AND
4 CONTRACTS. The board shall adopt proper forms, regulations, rules,
5 and contracts which, in its judgment, will protect the income from
6 lands leased pursuant to this subchapter.

7 Sec. 109.039 [~~109.80~~]. MANAGEMENT OF SURFACE AND MINERAL
8 ESTATES. (a) The board may lease for oil, gas, sulphur, ore,
9 water, and other mineral development all land under its exclusive
10 control for the use of the university. The board may make and enter
11 into pooling agreements, division orders, or other contracts
12 necessary in the management and development of its land.

13 (b) All leases, pooling agreements, division orders, or
14 other contracts entered into by the board shall be on terms that the
15 board considers in the best interest of the university. The board
16 may not sell a lease for less than the royalty and rental terms
17 demanded at that time by the General Land Office in connection with
18 the sale of oil, gas, and other mineral leases of the public lands
19 of this state.

20 (c) All money received under the leases and contracts
21 executed for the management and development of the land, except
22 revenue pledged to the payment of revenue bonds or notes, shall be
23 deposited to the credit of a special fund created by the board. The
24 board shall designate a depository for the special fund and protect
25 the money deposited in it by the pledging of assets of the
26 depository in the same manner as is required for the protection of
27 public funds. Money deposited in the special fund may be used by

1 the board for the administration of the university, for payment of
2 principal of and interest on revenue bonds or notes issued by the
3 board, and for any other purpose that in the judgment of the board
4 may be for the good of the university.

5 SECTION 9. Chapter 110, Education Code, is amended to read
6 as follows:

7 Sec. 110.01. SEPARATE INSTITUTION. Texas Tech University
8 Health Sciences Center is a separate institution and not a
9 department, school, or branch of Texas Tech University but is under
10 the direction, management, and control of the Texas Tech University
11 System Board of Regents. The center is composed of a medical school
12 and other components assigned by law or by the coordinating board.

13 Sec. 110.02. CONCURRENT AND SEPARATE POWERS. The board of
14 regents has the same powers of governance, control, jurisdiction,
15 and management [~~direction, management, and control~~] over the Health
16 Sciences Center as they exercise over Texas Tech University System
17 and its components. However, the board shall act separately and
18 independently on all matters affecting the Health Sciences Center
19 as a separate institution.

20 Sec. 110.11. MEDICAL SCHOOL ADMISSION POLICIES. The
21 [~~B~~]board of [~~R~~]regents shall promulgate appropriate rules and
22 regulations pertaining to the admission of students to the medical
23 school [~~which will provide for admission of those students to its~~
24 ~~entering class each year who are equally or as well qualified as all~~
25 ~~other students and who have entered a contract with or received a~~
26 ~~commitment for a stipend, grant, loan or scholarship from the State~~
27 ~~Rural Medical Education Board. The State Rural Medical Education~~

1 ~~Board may contract with medical students providing for such~~
2 ~~students to engage in a general or family practice of medicine for~~
3 ~~not less than four years after licensing and a period of medical~~
4 ~~residency, as determined by the rules and regulations established~~
5 ~~by the State Rural Medical Education Board, in cities of Texas which~~
6 ~~have a population of less than 5,000 or in rural areas, as that term~~
7 ~~may be defined by the State Rural Medical Education Board, and said~~
8 ~~Board is hereby given the authority to define and from time to time~~
9 ~~redefine the term rural area, at the time the medical practice is~~
10 ~~commenced. This contract shall provide for a monthly stipend of at~~
11 ~~least \$100 to be granted by the State Rural Medical Education Board~~
12 ~~to each person under contract with the State while enrolled as a~~
13 ~~medical school student].~~

14 SECTION 10. On the effective date of this Act, the following
15 provisions of the Education Code are repealed:

- 16 (1) Section 109.44;
- 17 (2) Subsections (c), (d), and (e), Section 109.45;
- 18 (3) Section 109.46;
- 19 (4) Section 109.47;
- 20 (5) Section 109.49;
- 21 (6) Section 110.04; and
- 22 (7) Section 110.14

23 SECTION 11. This Act takes effect immediately if it
24 receives a vote of two-thirds of all the members elected to each
25 house, as provided by Section 39, Article III, Texas Constitution.
26 If this Act does not receive the vote necessary for immediate
27 effect, this Act takes effect September 1, 2013.