

1-1 By: Springer, Perry, Seliger S.B. No. 447
 1-2 (In the Senate - Filed January 26, 2021; March 9, 2021, read
 1-3 first time and referred to Committee on Higher Education;
 1-4 March 29, 2021, reported favorably by the following vote: Yeas 8,
 1-5 Nays 0; March 29, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12			X	
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the transfer of Midwestern State University to the
 1-20 Texas Tech University System, to certain fees charged by that
 1-21 system's governing board, and to mandatory venue for actions
 1-22 brought against that system or its institution, officers, or
 1-23 employees.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. AMENDMENT. Chapter 109, Education Code, is
 1-26 amended by adding Subchapter E to read as follows:

1-27 SUBCHAPTER E. MIDWESTERN STATE UNIVERSITY

1-28 Sec. 109.201. ESTABLISHMENT; SCOPE. (a) Midwestern State
 1-29 University is a general academic teaching institution located in
 1-30 the city of Wichita Falls.

1-31 (b) The university is a component of the Texas Tech
 1-32 University System and is under the management and control of the
 1-33 board of regents of the Texas Tech University System. The board of
 1-34 regents has the same powers and duties concerning Midwestern State
 1-35 University as are conferred on the board by statute concerning
 1-36 Texas Tech University.

1-37 Sec. 109.202. COURSES AND DEGREES; ADMINISTRATION.

1-38 (a) The university shall offer undergraduate-level and
 1-39 graduate-level programs.

1-40 (b) The board of regents may approve degrees and adopt other
 1-41 rules necessary for the operation and management of the university.

1-42 (c) The university is subject to the authority of the Texas
 1-43 Higher Education Coordinating Board.

1-44 Sec. 109.203. UNIVERSITY OF THE FIRST RANK. The board of
 1-45 regents shall build and operate the university as a public liberal
 1-46 arts university of the first rank to offer the university's
 1-47 students, consistent with the university's mission, preparation
 1-48 for excellence in a variety of careers and exploration of a variety
 1-49 of interests. The university shall be equipped as necessary to do
 1-50 its work as well as comparable public institutions of higher
 1-51 education in this state.

1-52 Sec. 109.204. UNIVERSITY MUSEUM. The Texas Higher
 1-53 Education Coordinating Board shall include in the funding formula
 1-54 applicable to the university funding for the operation and
 1-55 maintenance of the museum acquired by the university in accordance
 1-56 with former Section 103.11.

1-57 Sec. 109.205. GIFTS AND GRANTS. The board of regents may
 1-58 solicit, accept, and administer gifts and grants for the use and
 1-59 benefit of the university.

1-60 SECTION 2. TRANSFER OF GOVERNANCE OF UNIVERSITY; ABOLITION
 1-61 OF BOARD OF REGENTS. The governance, control, management, and

2-1 property of Midwestern State University are transferred from the
2-2 board of regents of Midwestern State University to the board of
2-3 regents of the Texas Tech University System. The transfer is
2-4 governed by Sections 3 through 8 of this Act. Following the
2-5 transfer, the board of regents of Midwestern State University is
2-6 abolished.

2-7 SECTION 3. POWERS AND DUTIES; RULES AND POLICIES.

2-8 (a) When the transfer takes effect, the board of regents of the
2-9 Texas Tech University System shall govern, operate, manage, and
2-10 control Midwestern State University and all land, buildings,
2-11 facilities, improvements, equipment, supplies, and property
2-12 belonging to and constituting Midwestern State University under the
2-13 powers and duties conferred by law on the board of regents.

2-14 (b) Midwestern State University may continue to award
2-15 degrees in the same disciplines and of the same academic standing
2-16 after the transfer authorized by this Act as those in which degrees
2-17 were awarded by the university before this Act, subject to the
2-18 authority of the Texas Higher Education Coordinating Board
2-19 regarding existing degree programs.

2-20 (c) Rules and policies adopted by the board of regents of
2-21 Midwestern State University to govern the university that are in
2-22 effect when the transfer takes effect are continued in effect until
2-23 adopted, repealed, or superseded by the board of regents of the
2-24 Texas Tech University System. The board of regents of the Texas
2-25 Tech University System may adopt rules and policies applicable to
2-26 the university in anticipation of the transfer authorized by this
2-27 Act.

2-28 SECTION 4. CONTRACTS AND WRITTEN OBLIGATIONS, INCLUDING
2-29 BONDS. Contracts and written obligations of every kind and
2-30 character entered into by the board of regents of Midwestern State
2-31 University or the Texas Public Finance Authority for and on behalf
2-32 of Midwestern State University, including bonds, are considered
2-33 ratified, confirmed, and validated by the board of regents of the
2-34 Texas Tech University System on the effective date of the transfer.
2-35 In those contracts and written obligations, the board of regents of
2-36 the Texas Tech University System is substituted for and stands and
2-37 acts in the place of the board of regents of Midwestern State
2-38 University or the Texas Public Finance Authority, as applicable, to
2-39 the extent permitted by law.

2-40 SECTION 5. TUITION AND FEES. The tuition and fees
2-41 authorized by the board of regents of Midwestern State University
2-42 before the transfer of governance under this Act remain in effect
2-43 until the board of regents of the Texas Tech University System
2-44 authorizes a different amount of tuition and fees for the
2-45 university as provided by law.

2-46 SECTION 6. EFFECT OF TRANSFER ON STUDENTS AND EMPLOYEES.

2-47 (a) The transfer of the governance of Midwestern State University
2-48 under this Act does not affect the status of any student of the
2-49 university enrolled at the university when the transfer takes
2-50 effect.

2-51 (b) The transfer of the governance of Midwestern State
2-52 University under this Act does not affect the employment status or
2-53 accrued benefits of any person employed by the university when the
2-54 transfer takes effect.

2-55 SECTION 7. CURRENT FUNDING. All funds that, on the
2-56 effective date of the transfer, have been appropriated or dedicated
2-57 to or are held for the use and benefit of Midwestern State
2-58 University under the governance of the board of regents of the
2-59 university are transferred to the board of regents of the Texas Tech
2-60 University System for the use and benefit of the university. Other
2-61 funds held for the use and benefit of Midwestern State University
2-62 shall continue to be available for the use and benefit of the
2-63 university notwithstanding the change in governance made by this
2-64 Act.

2-65 SECTION 8. LEGISLATIVE INTENT; ROLE OF COORDINATING BOARD.

2-66 It is the intent of the legislature that the transfer of the
2-67 governance of Midwestern State University from the board of regents
2-68 of the university to the board of regents of the Texas Tech
2-69 University System be made without disrupting the students, faculty,

3-1 staff, or programs of the university. If those boards of regents
 3-2 are unable to agree as to any matter relating to the transfer, the
 3-3 Texas Higher Education Coordinating Board on application of either
 3-4 board of regents shall resolve the disagreement consistent with the
 3-5 intent of this section and the provisions of this Act as the
 3-6 coordinating board determines is in the best interest of this state
 3-7 and the institutions under the governance of the boards of regents.
 3-8 The coordinating board may issue any orders or take any other action
 3-9 the coordinating board considers appropriate to enforce this
 3-10 section or to facilitate the transfer consistent with this Act and
 3-11 the intent of the legislature.

3-12 SECTION 9. AMENDMENT. Section 54.508(a), Education Code,
 3-13 is amended to read as follows:

3-14 (a) The board of regents of the Texas Tech University System
 3-15 may charge each student registered at a component institution of
 3-16 the Texas Tech University System a medical services fee not to
 3-17 exceed \$100 for each semester or ~~[of the regular]~~ term ~~[or 12-week~~
 3-18 ~~summer session and not to exceed \$50 for each six-week or shorter~~
 3-19 ~~term of the summer session]~~.

3-20 SECTION 10. AMENDMENT. Section 54.509, Education Code, is
 3-21 amended by amending Subsections (a) and (b) and adding Subsection
 3-22 (e) to read as follows:

3-23 (a) If approved by student vote, the board of regents of the
 3-24 Texas Tech University System may charge each student enrolled at a
 3-25 component institution of the Texas Tech University System a
 3-26 recreation fee not to exceed \$150 ~~[\$100]~~ per semester or \$75 ~~[\$50]~~
 3-27 per six-week summer term to be used to purchase equipment for and to
 3-28 finance, construct, operate, renovate, and maintain the student
 3-29 recreation facilities and programs at the institution.

3-30 (b) The fee may not be increased by more than 10 percent from
 3-31 one academic year to the next unless the increase is approved by:

3-32 (1) a majority of students voting on the issue in a
 3-33 general student election called for that purpose; or

3-34 (2) a majority vote of the student government at the
 3-35 institution.

3-36 (e) The board of regents may pledge the fees imposed under
 3-37 this section to pay obligations issued for authorized purposes
 3-38 pursuant to the revenue financing system of the Texas Tech
 3-39 University System.

3-40 SECTION 11. AMENDMENT. Section 55.13(c), Education Code,
 3-41 is amended to read as follows:

3-42 (c) Notwithstanding any other provision of this section,
 3-43 with respect to all bonds authorized to be issued by ~~[Midwestern~~
 3-44 ~~State University or]~~ Texas Southern University, the Texas Public
 3-45 Finance Authority shall exercise the authority of a board to issue
 3-46 bonds on behalf of that university ~~[those institutions]~~, in the
 3-47 manner provided by this subchapter, including the authority to
 3-48 issue refunding bonds under Section 55.19. In connection with the
 3-49 issuance of bonds under this chapter, the Texas Public Finance
 3-50 Authority has all the rights and duties granted or assigned to and
 3-51 is subject to the same conditions as a board under this chapter.

3-52 SECTION 12. AMENDMENT. Subchapter B, Chapter 55, Education
 3-53 Code, is amended by adding Section 55.17893 to read as follows:

3-54 Sec. 55.17893. MIDWESTERN STATE UNIVERSITY. (a) In
 3-55 addition to the other authority granted by this subchapter, the
 3-56 board of regents of the Texas Tech University System may issue bonds
 3-57 in accordance with this subchapter and in accordance with a system
 3-58 wide revenue financing program adopted by the board in the
 3-59 aggregate principal amounts not to exceed the amounts previously
 3-60 authorized for Midwestern State University by Sections 55.1727,
 3-61 55.1737, 55.1757, and 55.1787, as those sections existed
 3-62 immediately before this section took effect, less any portion of
 3-63 those amounts for which bonds were issued under those sections for
 3-64 the university before the date this section took effect. Subject to
 3-65 Subsection (d), bonds issued under this section for an amount
 3-66 previously authorized by Section 55.1727, 55.1737, 55.1757, or
 3-67 55.1787 may be used only at Midwestern State University for the
 3-68 purposes for which the bonds were authorized to be issued for the
 3-69 university under Section 55.1727, 55.1737, 55.1757, or 55.1787, as

4-1 applicable.

4-2 (b) The board may pledge irrevocably to the payment of those
 4-3 bonds all or any part of the revenue funds of an institution,
 4-4 branch, or entity of the Texas Tech University System. The amount
 4-5 of a pledge made under this subsection may not be reduced or
 4-6 abrogated while the bonds for which the pledge is made, or bonds
 4-7 issued to refund those bonds, are outstanding.

4-8 (c) If sufficient funds are not available to the board to
 4-9 meet its obligations under this section, the board may transfer
 4-10 funds among institutions, branches, and entities of the Texas Tech
 4-11 University System to ensure the most equitable and efficient
 4-12 allocation of available resources for each institution, branch, or
 4-13 entity to carry out its duties and purposes.

4-14 (d) Any portion of the proceeds of bonds authorized by this
 4-15 section for one or more specified projects that is not required for
 4-16 the specified projects may be used to renovate existing structures
 4-17 and facilities at the university.

4-18 (e) The board of regents of the Texas Tech University System
 4-19 may issue refunding bonds under Chapter 1207, Government Code, to
 4-20 refund all or any part of the outstanding bonds, notes, or other
 4-21 general or special obligations issued by or for the benefit of
 4-22 Midwestern State University, including obligations previously
 4-23 issued by the Texas Public Finance Authority. For purposes of
 4-24 Chapter 1207, Government Code, and in connection with the issuance
 4-25 of any such refunding bonds, the board of regents of the Texas Tech
 4-26 University System shall be considered the "issuer" of the
 4-27 outstanding bonds, notes, or obligations of Midwestern State
 4-28 University which are being refunded.

4-29 SECTION 13. AMENDMENT. Section 62.021(a), Education Code,
 4-30 is amended to read as follows:

4-31 (a) In each state fiscal year beginning with the state
 4-32 fiscal year ending August 31, 2021, an eligible institution is
 4-33 entitled to receive an amount allocated in accordance with this
 4-34 section from the funds appropriated for that year by Section 17(a),
 4-35 Article VII, Texas Constitution. The comptroller shall distribute
 4-36 funds allocated under this subsection only on presentation of a
 4-37 claim and issuance of a warrant in accordance with Section 403.071,
 4-38 Government Code. An eligible institution may not present a claim to
 4-39 be paid from any funds allocated under this subsection before the
 4-40 delivery of goods or services described in Section 17, Article VII,
 4-41 Texas Constitution, except for the payment of principal or interest
 4-42 on bonds or notes or for a payment for a book or other published
 4-43 library material as authorized by Section 2155.386, Government
 4-44 Code. The allocation of funds under this subsection is made in
 4-45 accordance with an equitable formula consisting of the following
 4-46 elements: space deficit, facilities condition, institutional
 4-47 complexity, and a separate allocation for the Texas State Technical
 4-48 College System. The annual amounts allocated by the formula are as
 4-49 follows:

4-50 (1) [~~\$4,933,200 to Midwestern State University,~~
 4-51 [~~2~~]] to the following component institutions of the
 4-52 University of North Texas System:

4-53 (A) \$37,346,563 to the University of North Texas;
 4-54 (B) \$15,125,502 to the University of North Texas
 4-55 Health Science Center at Fort Worth; and
 4-56 (C) \$3,354,441 to the University of North Texas
 4-57 at Dallas;

4-58 (2) [~~3~~] \$11,277,793 to Stephen F. Austin State
 4-59 University;

4-60 (3) [~~4~~] to the following component institutions of
 4-61 the Texas State University System:

4-62 (A) \$13,141,181 to Lamar University;
 4-63 (B) \$2,553,130 to the Lamar Institute of
 4-64 Technology;

4-65 (C) \$1,488,396 to Lamar State College--Orange;
 4-66 (D) \$2,217,102 to Lamar State College--Port
 4-67 Arthur;

4-68 (E) \$18,236,811 to Sam Houston State University;
 4-69 (F) \$37,606,478 to Texas State University;

- 5-1 (G) \$2,151,723 to Sul Ross State University; and
- 5-2 (H) \$472,890 to Sul Ross State University-Rio
- 5-3 Grande College;
- 5-4 (4) [~~(5)~~] \$11,719,335 to Texas Southern University;
- 5-5 (5) [~~(6)~~] to the following component institutions of
- 5-6 the Texas Tech University System:
- 5-7 (A) \$49,874,746 to Texas Tech University;
- 5-8 (B) \$21,652,392 to Texas Tech University Health
- 5-9 Sciences Center;
- 5-10 (C) \$6,792,999 to Angelo State University; [~~and~~]
- 5-11 (D) \$5,557,572 to Texas Tech University Health
- 5-12 Sciences Center--El Paso; and
- 5-13 (E) \$4,933,200 to Midwestern State University;
- 5-14 (6) [~~(7)~~] \$14,554,133 to Texas Woman's University;
- 5-15 (7) [~~(8)~~] to the following component institutions of
- 5-16 the University of Houston System:
- 5-17 (A) \$54,514,004 to the University of Houston;
- 5-18 (B) \$3,542,817 to the University of
- 5-19 Houston--Victoria;
- 5-20 (C) \$7,726,043 to the University of
- 5-21 Houston--Clear Lake; and
- 5-22 (D) \$10,828,344 to the University of
- 5-23 Houston--Downtown;
- 5-24 (8) [~~(9)~~] to the following component institutions of
- 5-25 The Texas A&M University System:
- 5-26 (A) \$11,478,824 to Texas A&M University--Corpus
- 5-27 Christi;
- 5-28 (B) \$7,462,394 to Texas A&M International
- 5-29 University;
- 5-30 (C) \$8,858,060 to Texas A&M
- 5-31 University--Kingsville;
- 5-32 (D) \$7,446,495 to West Texas A&M University;
- 5-33 (E) \$11,123,859 to Texas A&M
- 5-34 University--Commerce; and
- 5-35 (F) \$2,050,273 to Texas A&M
- 5-36 University--Texarkana; and
- 5-37 (9) [~~(10)~~] \$8,662,500 to the Texas State Technical
- 5-38 College System Administration and the following component
- 5-39 campuses, but not its extension centers or programs:
- 5-40 (A) Texas State Technical College--Harlingen;
- 5-41 (B) Texas State Technical College--Marshall;
- 5-42 (C) Texas State Technical College--West Texas;
- 5-43 (D) Texas State Technical College--Waco;
- 5-44 (E) Texas State Technical College--Fort Bend;
- 5-45 and
- 5-46 (F) Texas State Technical College--North Texas.

5-47 SECTION 14. AMENDMENT. Subchapter A, Chapter 109,
 5-48 Education Code, is amended by adding Section 109.005 to read as
 5-49 follows:

5-50 Sec. 109.005. MANDATORY VENUE. (a) Venue for a suit filed
 5-51 against the board or a member of the board in the member's official
 5-52 capacity is in Lubbock County.

5-53 (b) Venue for a suit filed against the Texas Tech University
 5-54 System, any component of the Texas Tech University System, or any
 5-55 officer or employee of the Texas Tech University System or
 5-56 component thereof is in the county in which the primary office of
 5-57 the chief executive officer of the system or component, as
 5-58 applicable, is located.

5-59 (c) This section does not waive any defense to or immunity
 5-60 from suit or liability that may be asserted by an entity or
 5-61 individual described by this section.

5-62 (d) In case of a conflict between this section and any other
 5-63 law, this section controls.

5-64 SECTION 15. AMENDMENT. Section 1232.101(a), Government
 5-65 Code, is amended to read as follows:

5-66 (a) With respect to all bonds authorized to be issued by or
 5-67 on behalf of the Texas Military Department, Parks and Wildlife
 5-68 Department, Texas Agricultural Finance Authority, Texas Low-Level
 5-69 Radioactive Waste Disposal Authority, [~~Midwestern State~~

6-1 ~~University,~~] and Texas Southern University, the authority has the
6-2 exclusive authority to act on behalf of those entities in issuing
6-3 bonds on their behalf. In connection with those issuances and with
6-4 the issuance of refunding bonds on behalf of those entities, the
6-5 authority is subject to all rights, duties, and conditions
6-6 surrounding issuance previously applicable to the issuing entity
6-7 under the statute authorizing the issuance. A reference in an
6-8 authorizing statute to the entity on whose behalf the bonds are
6-9 being issued applies equally to the authority in its capacity as
6-10 issuer on behalf of the entity.

6-11 SECTION 16. AMENDMENT. Section 501.022, Labor Code, is
6-12 amended by amending Subsection (a) and adding Subsection (g) to
6-13 read as follows:

6-14 (a) An eligible employee of Texas Tech University, Texas
6-15 Tech University Health Sciences Center, Angelo State University,
6-16 Texas Tech University System Administration, Texas Tech University
6-17 Health Sciences Center at El Paso, Midwestern State University, or
6-18 another agency under the direction and control of the board of
6-19 regents of the Texas Tech University System is entitled to
6-20 participate in the workers' compensation program for state
6-21 employees provided under this chapter.

6-22 (g) For purposes of this chapter, Midwestern State
6-23 University is a state agency and shall act in the capacity of
6-24 employer.

6-25 SECTION 17. TRANSITION. Section 109.005, Education Code,
6-26 as added by this Act, applies only to an action brought against the
6-27 board of regents of the Texas Tech University System or a member of
6-28 that board in the member's official capacity, the Texas Tech
6-29 University System, a component institution of that system, or an
6-30 officer or employee of that system or a component institution
6-31 thereof on or after the effective date of this Act.

6-32 SECTION 18. REPEALER. The following provisions of the
6-33 Education Code are repealed:

- 6-34 (1) Section 54.241(h);
- 6-35 (2) Sections 54.5082, 54.518, 54.5441, 54.5442,
6-36 55.1727, 55.1737, 55.1757, and 55.1787; and
- 6-37 (3) Chapter 103.

6-38 SECTION 19. EFFECTIVE DATE. This Act takes effect
6-39 September 1, 2021.

6-40 * * * * *