

SUBJECT: Establishing a law school in Dallas in University of North Texas System

COMMITTEE: Higher Education — committee substitute recommended

VOTE: 8 ayes — Morrison, McCall, F. Brown, Alonzo, Aycock, Giddings,
D. Howard, Patrick

0 nays

1 absent — Rose

SENATE VOTE: On final passage, April 23 — 27-4 (Fraser, Janek, Ogden, Seliger)

WITNESSES: For — (*Registered, but did not testify*: Randy Cain, City of Dallas)

Against — None

On — (*Registered, but did not testify*: Lee F. Jackson, University of North Texas System; Raymund Paredes, Texas Higher Education Coordinating Board)

BACKGROUND: Education Code, ch. 105 governs the University of North Texas System. Education Code, ch. 55, subch. B authorizes the governing board of each institution of higher education to issue revenue bonds to finance the acquiring, purchasing, constructing, improving, enlarging, and/or equipping any property, buildings, structures, activities, services, operations, or other facilities for and on behalf of its institution. Each board may issue its revenue bonds to be payable from and secured by liens on and pledges of all or any part of any of the revenue funds, including student tuition, of the board and its institutions, or any branch or branches of any of its institutions. The Legislature typically appropriates general revenue to reimburse institutions for the tuition used to pay the debt service.

DIGEST: CSSB 105 would authorize the board of regents of the University of North Texas System to establish and operate a law school in the city of Dallas. The University of North Texas System would be authorized to issue \$30 million in revenue bonds for the law school.

Until the University of North Texas at Dallas has been administered as a general academic teaching institution for five years, the board must administer the law school as a professional school of the system. After five years, the law school will become a professional school of the University of North Texas at Dallas and until then, the school would be entitled to formula funding as if the school were a professional school of a general academic teaching institution.

The bonds would be payable from pledged revenue and tuition, and the amount of a pledge could not be reduced while bonds were outstanding. If sufficient funds are not available to meet the obligation, the board could transfer funds among institutions to ensure the most equitable allocation of available resources.

The University of North Texas System could not issue bonds for facilities at the law school until the law school received provisional accreditation. If the law school did not receive the provisional accreditation by January 1, 2010, the system's authority to issue bonds would expire on that date.

Before the board established the school but no later than June 1, 2008, the Texas Higher Education Coordinating Board (THECB) would have to prepare a feasibility study to determine the actions that would have to be taken to obtain accreditation of the law school. The bill would stipulate the feasibility reporting requirements for THECB.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2007.

**SUPPORTERS
SAY:**

It is time to establish a new public law school in the city of Dallas. Texas has four public law schools, but none in the state's most populous metropolitan area. In fact, Dallas-Fort Worth is the largest metropolitan region in the nation without a public law school. The area has fewer lawyers per 100,000 people than the national average and fewer than the average of Central Texas and the Houston coastal area. The last public law school to receive American Bar Association approval was Texas Tech in 1969. Since 1980, the population of Texas has grown from 14 million to 22.5 million, yet no additional public legal education institution has been added during this time. Only 525 new law school seats have been created at existing schools in the last 25 years.

CSSB 105 has broad-based support from the city of Dallas and the University of North Texas. A new law school has been a goal of UNT since 1979, when the university began building a law library collection in the hopes of having a law school one day. The city of Dallas has donated the old municipal building and an adjacent annex to house the law school as well as parking and some renovation funding. A new law school is so important to downtown revitalization that the city has committed to spend over \$300 million to get the law school operational.

A public law school in Dallas would significantly increase the opportunity for baccalaureate students to attend a regional school without the costs of relocation. Currently, anyone in the Dallas area desiring to attend a public law school must either leave for other areas of the state, leave the state entirely, or attend a private law school, which is much more expensive.

There is a significant minority population in Dallas that needs and wants a public law school. Minority representation has declined in the legal profession, and part of the reason is affordability. On average, private law schools are three times as expensive as public schools. Having an affordable public law school in Dallas would feed the pipeline to increase the number of lawyers in an underserved area and the inclusion of those populations in the state's law schools and among its attorneys. The area is currently exporting its talented college graduates to other areas of the state, but would rather keep them local to serve the community.

The money for a new public law school would be well spent because relative to other state supported schools, especially medical schools, is it much less expensive to establish a law school. There have been five medical schools established in the last 25 years, but not a single new public law school.

**OPPONENTS
SAY:**

There is no urgent need for a new public law school in the state and in regard to relative need, a stronger argument can be made to establish the next new public law school in South Texas. The metroplex is attracting sufficient number of lawyers to meet its demand without the expense to the state of adding a new public law school.

NOTES:

The Senate-passed version of the bill did not contain authorization for revenue bonds.

According to the fiscal note, the bill would cost about \$6 million each year starting in fiscal 2009, with bond debt service accounting for about \$2.5 million of the total.