

BILL ANALYSIS

C.S.S.B. 907
By: Perry
Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The board of regents of the Texas Tech University System governs Texas Tech University, the Texas Tech University Health Sciences Center, the Texas Tech University Health Sciences Center at El Paso, and Angelo State University. Interested parties observe that current law relating to the university system and its board contains some unnecessary provisions and archaic language and might benefit from reorganization, particularly with regard to the powers and duties of the board for the component institutions. C.S.S.B. 907 seeks to provide for that reorganization, among other provisions.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.S.B. 907 amends the Education Code to authorize the Texas Tech University System board of regents to accept, retain in depositories of its choosing, and administer, on terms and conditions acceptable to the board, gifts, grants, or donations of any kind, from any source to the extent not prohibited by state or federal law, for use by the system or any of the system's component institutions. The bill replaces references to the university, in provisions relating to the university system's governance by the nine-member board of regents, the chairman of the board, and a chief executive officer, with references to the university system or the university system and its component institutions, as applicable. The bill specifies that the six-year terms of office for board members are staggered terms, with the terms of three members expiring on January 31 of odd-numbered years.

C.S.S.B. 907 clarifies that the board's power of eminent domain extends to the acquisition of land needed to carry out the purposes of the university system and the component institutions. The bill expands the board's authorization to purchase a house or purchase land and construct a house suitable for the residence of the Texas Tech University president to include the authorization to purchase a house or purchase land and construct a house suitable for the residence of the chancellor of the university system or the president of any component university.

C.S.S.B. 907 replaces the board's authorization to rent, lease, or convey a part of the Texas Tech University campus to the City of Lubbock for the purpose of building and maintaining a history, science, and art museum and to rent or lease a building or part of a building to the city for the purpose of maintaining a history and science museum with the authorization to establish a

history, science, and art museum and to provide a building or part of a building for the sole purpose of maintaining such a history, science, and art museum. The bill removes certain powers of the board to dedicate land or contract for services in relation to the museum. The bill clarifies that the donations, gifts, grants, and endowments for Texas Tech University accepted and administered by the board are to be held for the benefit of the institution and so administered, rather than in trust.

C.S.S.B. 907 removes the branches and divisions of the university from purposes for which money in the Texas Tech University special mineral fund may be used. The bill clarifies that the board is authorized to have lands surveyed or subdivided for purposes of the advantageous sale or lease of minerals that are under and that may be produced from the lands. The bill removes the requirement that a public auction at which the mineral lease or leases on university land under the board's control are sold take place at the university at any hour between 10 a.m. and 5 p.m. and includes electronic payment among the methods of payment accepted for the purchase of a lease. The bill increases from \$1 per acre to \$5 per acre the obligation required to be paid in a bid for a delay in drilling or development with regard to a mineral lease and replaces the authorization for lands to be leased for mineral purposes if, in the board's opinion, any of the bidders has offered a reasonable and proper price for any tract with the authorization for lands to be leased for mineral purposes if, in the board's opinion, the highest bidder has offered a reasonable and proper price for any tract. The bill increases from 300 feet to 500 feet the minimum distance from any building on the land on which the mineral lease resides within which drilling or mining for minerals is prohibited without board consent and includes other structures in the minimum distance requirement. The bill replaces the condition required in a lease for the lessee operating the property to carry on the lessee's operations in such a way as not to cause the abandonment of the property for university purposes with the condition in such a mineral lease that the lessee carry on its operation in such a way as not to interfere with use of the property for university purposes. The bill removes a requirement relating to the board's continued operation of the university and removes a provision authorizing the discontinuation of yearly lease payments fixed by the board when royalty payments amount to as much as the yearly payments.

C.S.S.B. 907 clarifies that the three-year period for which the exploratory term of a mineral lease may be extended by a unanimous board vote is the maximum period for which a lease may be extended under such a term and removes a provision authorizing the extension of a lease if the board finds that there is a likelihood of minerals being discovered by the lessees and that the lessees have proceeded with diligence to protect the state's interest. The bill changes the condition under which payment of lease rentals may be suspended for a lessee engaged in actual drilling operations from the operations proceeding in good faith to the operations proceeding in a good and workmanlike manner in a good faith attempt to produce minerals from the well. The bill changes references to owners with regard to university mineral leases to lessees; requires the board to authorize any required infrastructure for purposes of mineral development in university land, instead of limiting that authorization to the laying of pipeline and telephone line and opening roads as necessary for such purposes; and grants the state a first lien on minerals that may be produced in a leased area, in addition to minerals actually produced.

C.S.S.B. 907 clarifies that the board has the same powers of governance, control, jurisdiction, and management over the Texas Tech University Health Sciences Center and the Texas Tech University Health Sciences Center at El Paso as those it exercises over the university system and its components, removes the requirement of the board to act separately and independently on all matters affecting the Texas Tech University Health Sciences Center as a separate institution, and removes obsolete provisions relating to the State Rural Medical Education Board and the admission of students to the health sciences center's medical school under a contract with that rural medical education board.

C.S.S.B. 907 repeals provisions relating to a research park at the university, leases of university land for a U.S. armory and a Texas National Guard armory, the sale of certain crops, the sale of obsolete medical equipment, and the chief executive officer's role at the health sciences center.

C.S.S.B. 907 amends the Labor Code to entitle an eligible employee of Texas Tech University System Administration or the Texas Tech University Health Sciences Center at El Paso to participate in the workers' compensation program for state employees and to establish that the university system administration and the El Paso health sciences center are state agencies for purposes of the workers' compensation program and are required to act in the capacity of employers.

C.S.S.B. 907 repeals the following provisions of the Education Code:

- Section 109.44
- Section 109.46
- Section 109.47
- Section 109.49
- Section 110.04
- Section 110.14

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.

COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE

While C.S.S.B. 907 may differ from the engrossed in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the engrossed and committee substitute versions of the bill.

SENATE ENGROSSED

SECTION 1. The heading to Subchapter A, Chapter 109, Education Code, is amended.

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

(d) The board of regents of the Texas Tech University System may accept, retain in depositories of its choosing, and administer, on terms and conditions acceptable to the board, gifts, grants, or donations of any kind, from any source, for use by the system or any of the component institutions of the system.

SECTION 3. Sections 109.21, 109.22, and 109.23, Education Code, are transferred to Subchapter A, Chapter 109, Education Code, redesignated as Sections 109.002, 109.003, and 109.004, Education Code, and amended.

SECTION 4. The heading to Subchapter B, Chapter 109, Education Code, is amended.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Same as engrossed version.

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

(d) The board of regents of the Texas Tech University System may accept, retain in depositories of its choosing, and administer, on terms and conditions acceptable to the board, gifts, grants, or donations of any kind, from any source to the extent not prohibited by state or federal law, for use by the system or any of the component institutions of the system.

SECTION 3. Same as engrossed version.

SECTION 4. Same as engrossed version.

SECTION 5. Sections 109.41, 109.42, 109.48, and 109.54, Education Code, are transferred to Subchapter B, Chapter 109, Education Code, redesignated as Sections 109.051, 109.052, 109.053, and 109.054, Education Code, and amended.

SECTION 5. Same as engrossed version.

SECTION 6. The heading to Subchapter C, Chapter 109, Education Code, is amended.

SECTION 6. Same as engrossed version.

SECTION 7. Section 109.01, Education Code, is transferred to Subchapter C, Chapter 109, Education Code, and redesignated as Section 109.101, Education Code.

SECTION 7. Same as engrossed version.

SECTION 8. Sections 109.43, 109.45, and 109.52, Education Code, are redesignated as Sections 109.102, 109.103, and 109.104, Education Code, and amended.

SECTION 8. Same as engrossed version.

SECTION 9. Subchapter D, Chapter 109, Education Code, is amended.

SECTION 9. Same as engrossed version.

SECTION 10. Sections 110.01, 110.02, 110.11, and 110.32, Education Code, are amended.

SECTION 10. Substantially the same as engrossed version.

SECTION 11. The heading to Section 501.022, Labor Code, is amended.

SECTION 11. Same as engrossed version.

SECTION 12. Section 501.022, Labor Code, is amended.

SECTION 12. Substantially the same as engrossed version.

SECTION 13. The following provisions of the Education Code are repealed:

SECTION 13. Same as engrossed version.

- (1) Section 109.44;
- (2) Section 109.46;
- (3) Section 109.47;
- (4) Section 109.49;
- (5) Section 110.04; and
- (6) Section 110.14.

SECTION 14. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

SECTION 14. Same as engrossed version.