CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

	3/3C/2C01
	Date
Honorable David Dewhurst President of the Senate	
Honorable Joe Straus Speaker of the House of Representatives	
Sirs:	
We, Your Conference Committee, appointed to adjust the House of Representatives on SR 156 consideration, and beg to report it back with the recontext hereto attached.	have had the same under
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On the part of the Senate On	the part of the House

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filled in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

S.B. No. 956

A BILL TO BE ENTITLED

1	AN ACT
2	relating to the establishment of a law school in the city of Dallas
3	by the University of North Texas System.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Section 105.001, Education Code, is amended to
6	read as follows:
7	Sec. 105.001. UNIVERSITY OF NORTH TEXAS SYSTEM. The
8	University of North Texas System is composed of:
9	(1) the University of North Texas;
10	(2) the University of North Texas Health Science
11	Center at Fort Worth; [and]
12	(3) the University of North Texas at Dallas; and
13	(4) the University of North Texas at Dallas College of
14	Law.
15	SECTION 2. Section 105.151, Education Code, is amended by
16	adding Subsection (c-1) and amending Subsection (d) to read as
17	follows:
18	(c-1) Venue for a suit filed solely against the University
19	of North Texas at Dallas College of Law or against officers or
20	employees of the University of North Texas at Dallas College of Law
21	is in Dallas County.
22	(d) In case of a conflict between Subsection (a), (b), [or]
23	(c), or $(c-1)$ and any other law, Subsection (a), (b), $[ex]$ (c), or
24	(c-1) controls.

- 1 SECTION 3. Subchapter J, Chapter 105, Education Code, is
- 2 amended by adding Section 105.502 to read as follows:
- 3 Sec. 105.502. UNIVERSITY OF NORTH TEXAS SYSTEM COLLEGE OF
- 4 LAW. (a) The board may establish and operate a school of law in
- 5 the city of Dallas as a professional school of the University of
- 6 North Texas System.
- 7 (b) In administering the law school, the board may prescribe
- 8 courses leading to customary degrees offered at other leading
- 9 American schools of law and may award those degrees.
- 10 (c) Until the University of North Texas at Dallas has been
- 11 administered as a general academic teaching institution for five
- 12 years, the board shall administer the law school as a professional
- 13 school of the system. After that period, the law school shall
- 14 become a professional school of the University of North Texas at
- 15 Dallas. Until the law school becomes a professional school of the
- 16 University of North Texas at Dallas, the law school:
- 17 (1) is considered an institution of higher education
- 18 under Section 61.003 for all purposes under other law; and
- 19 (2) is entitled to formula funding as if the law school
- 20 were a professional school of a general academic teaching
- 21 institution.
- 22 (d) Before the board establishes a law school under this
- 23 section, but not later than June 1, 2010, the Texas Higher Education
- 24 Coordinating Board shall prepare a feasibility study to determine
- 25 the actions the system must take to obtain accreditation of the law
- 26 school. The Texas Higher Education Coordinating Board shall
- 27 deliver a copy of the study to the chair of each legislative

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standing committee or subcommittee with jurisdiction over higher education.

(e) The board may solicit and accept gifts, grants, and donations from any public or private source for the purposes of this section.

Subchapter C, Chapter 61, Education Code, is SECTION 4. amended by adding Section 61.0665 to read as follows:

Sec. 61.0665. STUDY REGARDING ESTABLISHMENT OF LAW SCHOOLS. (a) The board shall conduct a study to examine the need for and feasibility of establishing a public law school in areas of the state where a law school is not located, including the Texas-Mexico border region. The study shall be conducted using the same criteria used for determining the need for and feasibility of establishing the University of North Texas at Dallas College of Law.

- (b) Not later than November 1, 2010, the board shall report the results of the study required by Subsection (a) to the governor, lieutenant governor, speaker of the house of representatives, and presiding officer of each legislative standing committee with primary jurisdiction over higher education.
 - (c) This section expires January 31, 2011.

SECTION 5. If this Act receives a vote of at two-thirds of the membership of each house of the legislature, the University of North Texas at Dallas College of Law created under Section 105.502, Education Code, as added by this Act, is entitled to participate in the funding provided by Section 17, Article VII, Texas Constitution.

> SECTION 6. This Act does not make an appropriation. This

S.B. No. 956

- 1 Act takes effect only if a specific appropriation for the
- 2 implementation of the Act is provided in a general appropriations
- 3 act of the 81st Legislature.
- 4 SECTION 7. This Act takes effect immediately if it receives
- 5 a vote of two-thirds of all the members elected to each house, as
- 6 provided by Section 39, Article III, Texas Constitution. If this
- 7 Act does not receive the vote necessary for immediate effect, this
- 8 Act takes effect September 1, 2009.

Senate Bill 956

Conference Committee Report Section-by-Section Analysis

SENATE VERSION

HOUSE VERSION

CONFERENCE

SECTION 1. Amends Section 105.001, Education Code, to add the University of North Texas at Dallas College of Law to the institutions that comprise the University of North Texas System.

Same as Senate version, except refers to the University of North Texas College of Law.

Same as Senate version

SECTION 2. Adds Section 105.151(c-1) and amends Section 105.151(d), Education Code. (c-1) Specifies the venue for a suit filed solely against the University of North Texas at Dallas College of Law or against officers or employees of the university. (d) Makes conforming changes.

Same as Senate version, except refers to the University of North Texas College of Law.

Same as Senate version.

SECTION 3. Adds Section 105.502, Education Code, UNIVERSITY OF NORTH TEXAS SYSTEM COLLEGE OF LAW, relating to the establishment, operation, and administration of a school of law in the city of Dallas as a professional school of the University of North Texas System. Among other provisions:

Same as Senate version, except as follows:

Same as Senate version.

(e) Authorizes the board of regents to solicit and accept gifts, grants, and donations from any public or private source for establishing, operating, and administering a law school.

No equivalent provision.

Same as Senate version.

No equivalent provision.

SECTION 4. Adds Section 55.1775, Education Code, UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL BONDS, to authorize the board of

Same as Senate version.

Senate Bill 956

Conference Committee Report Section-by-Section Analysis

SENATE VERSION

HOUSE VERSION

regents of the University of North Texas System to acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, or certain other facilities for the law school established in the city of Dallas by the University of North Texas System, to be financed by the issuance of certain bonds and sets out procedures for the payment of those bonds and transfer

of funds to meet those obligations.

CONFERENCE

No equivalent provision.

SECTION __. Adds Section 61.0665, Education Code, STUDY REGARDING ESTABLISHMENT OF LAW SCHOOLS, to add a temporary provision, set to expire January 31, 2011, requiring the board to conduct a study to examine the need for and feasibility of establishing a public law school in areas of the state where a law school is not located, including the Texas-Mexico border region. Sets out the criteria to be used in conducting the study and requires the board to report the results of the study to the governor, lieutenant governor, speaker of the house of representatives, and presiding officer of each legislative standing committee with primary jurisdiction over higher education.

SECTION 4. Same as House version.

SECTION 4. Adds a provision entitling the University of North Texas at Dallas College of Law to participate in the funding provided by Section 17, Article VII, Texas Constitution, if the bill receives a vote of at least two-thirds of the membership of each house of the legislature.

SECTION 5. Same as Senate version, except refers to the University of North Texas College of Law.

SECTION 5. Same as Senate version.

Senate Bill 956

Conference Committee Report Section-by-Section Analysis

SENATE VERSION

HOUSE VERSION

CONFERENCE

SECTION 5. Adds a provision clarifying that the bill does not make an appropriation and that its provisions take effect only if a specific appropriation for the implementation of the bill is provided in a general appropriations act of the 81st Legislature.

No equivalent provision.

SECTION 6. Same as Senate version.

SECTION 6. Effective date.

Same as Senate version.

SECTION 7. Same as Senate version.

LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 30, 2009

TO: Honorable David Dewhurst, Lieutenant Governor, Senate Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB956 by West (relating to the establishment of a law school in the city of Dallas by the University of North Texas System.), Conference Committee Report

Estimated Two-year Net Impact to General Revenue Related Funds for SB956, Conference Committee Report: a negative impact of (\$5,909,839) through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	(\$1,914,478)
2011	(\$3,995,361)
2012	(\$4,629,385)
2013	(\$4,432,838)
2014	(\$1,914,478) (\$3,995,361) (\$4,629,385) (\$4,432,838) (\$4,728,300)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from GENERAL REVENUE FUND 1	Probable Revenue Gain from Est Oth Educ & Gen Inco 770	Probable (Cost) from EST OTH EDUC & GEN INCO 770	Probable Revenue Gain from Institutional Funds 997
2010	(\$1,914,478)	\$0	\$0	\$0
2011	(\$3,995,361)	\$112,500	(\$112,500)	\$704,076
2012	(\$4,629,385)	\$371,064	(\$371,064)	\$1,467,223
2013	(\$4,432,838)	\$520,914	(\$520,914)	\$2,548,739
2014	(\$4,728,300)	\$871,108	(\$871,108)	\$2,657,276

Fiscal Year	Probable (Cost) from Institutional Funds 997	Change in Number of State Employees from FY 2005
2010	\$0	15.0
2011	(\$704,076)	23.0
2012	(\$1,467,223)	26.0
2013	(\$2,548,739)	30.0
2014	(\$2,657,276)	33.0

The bill would allow the Board of Regents of University of North Texas System to establish and operate a school of law in the city of Dallas. Under provisions of the bill, the Higher Education Coordinating Board would be required to conduct a feasibility study to determine the actions the University of North Texas System must take to obtain accreditation of the law school. The HECB would also conduct a study on the feasibility of establishing a public law school in areas of the state, including the Texas-Mexico border region, where a law school is not located using the same criteria.

Methodology

Although the bill does not specify how construction of the law school will be funded for purposes of this fiscal note it is assumed that existing facilities will be used to house the students. The fiscal impact of the bill will be broken down between faculty and maintenance costs.

The University of North Texas System indicates that in fiscal year 2010 they will need to hire seven faculty and eight administrative staff. Total costs for these fifteen FTEs is \$1,556,193. This amount includes salaries in the amount of \$1,210,386 and employee retirement and insurance in the amount of \$345,8071. There would also be approximately \$358,285 for operating expenses.

In fiscal year 2011, the University of North Texas System indicates they would need to hire additional faculty and administrative staff in preparations for the first entering class. Eight additional FTEs would be hired including, seven new faculty members and one new administrative member. The total cost for all twenty-three FTEs is \$2,523,547 for salaries and \$720,977 for employee benefits. There would also be other operating costs including \$1,567,413 for operation expenses. There would be increases in faculty and administrative staff in the future years reaching 33 FTEs in fiscal year 2014 as well as operating expenses as the law school grows in enrollment.

While General Revenue funding would be the only method of financing for fiscal year 2010, beginning in fiscal year 2011, statutory tuition (Fund 770) and institutional funds (including designated tuition and other fees) will be used to support the operation of the law school. Beginning in fiscal year 2012, the law school would be eligible for formula funding. The University of North Texas system indicates that the law school will generate \$437,743 in formula general revenue in fiscal year 2012 and fiscal year 2013 and \$1,488,324 in fiscal year 2014. The formula funding has been included in the costs associated with the bill.

The Higher Education Coordinating Board indicates that outside consultants, who are experienced with the full procedures of both ABA and SACS accreditation, would be needed for the feasibility studies. These costs would be absorbed within current resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies:

710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration, 352 Bond Review Board

LBB Staff: JOB, JSp, RT, GO, KK