

AN ACT

creating the University of Houston as a state-supported institution of higher education; providing for its management and administration; providing that General Laws affecting other state institutions of higher learning and not in conflict with this Act shall apply to the University of Houston; repealing laws in conflict; providing for severability; providing an effective date; and declaring an emergency.

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

Section 1. Creation of the University.

There is hereby established in the City of Houston, Harris County, Texas, a co-educational institution of higher learning, which shall be known as the University of Houston, to be conducted, operated and maintained under a Board of Regents as herein provided.

Sec. 2. Organization and Control.

The organization and control of such University shall be vested in a Board of nine (9) Regents, who shall be appointed by the Governor of Texas with the advice and consent of the Senate. The term of office of each Regent shall be six (6) years, provided that in making the first appointment the Governor shall appoint three (3) members for six (6) years, three (3) members for four (4) years and three (3) members for two (2) years. Any vacancy that occurs on the Board shall be filled for the unexpired term by appointment of the Governor.

Each member of the Board shall take the Constitutional oath of office. Each member of the Board of Regents shall be a citizen of the State of Texas. The said Board of Regents shall meet for the first time, after the passage of this Act, at the time and place designated by the Governor, or as soon after their appointment as possible. They shall organize by electing one (1) of the members Chairman, and by electing such other officers as they deem necessary. They shall enact such by-laws, rules and regulations as may be necessary for the successful management and government of the University. They shall select a President for the

University as soon as possible after the organization of the Board of Regents. The President shall be the executive officer for the Board of Regents and shall work under its direction. He shall recommend the plan or organization of said University and shall be responsible to said Board for the general management and success of said University.

Full, accurate and complete minutes of the Board of Regents shall be kept or maintained, which shall be open to inspection by the public at the University during regular business hours. Certified copies of any minutes shall be furnished on payment of such fee as may be assessed by the Board, not to exceed Twenty-Five Cents (25¢) per one hundred (100) words or fractional part thereof. The Board shall adopt such rules or regulations, not inconsistent with law, as may be necessary for the successful management and operation of the University.

Sec. 3. General Business Powers of Board.

The Board of Regents has the power to sue and be sued in the name of the University of Houston. Venue shall be in either Harris County, or Travis County. The University shall be impleaded by service of citation on the President or any of its Vice-Presidents, and Legislative consent to such suits is herewith granted.

All contracts of the University shall be approved by a majority of the Board of Regents. All contracts, bonds and notes heretofore entered into or issued by or in behalf of the University of Houston are hereby ratified, confirmed and validated for and on behalf of the University hereby created. But as to such bonds and notes, such ratification, confirmation and validation shall apply subject to the provisions of and only to the extent provided in Section 8a hereof.

Sec. 4. Reimbursement of Regents.

Members of the Board of Regents shall serve without pay, but shall be reimbursed for their actual expenses incurred in attending the work of the Board, subject to the approval of the Chairman.

Sec. 5. Meetings of the Board of Regents.

The Board of Regents shall hold a regular meeting at the campus of the University of Houston during the month of April annually, and at such times and places as shall be scheduled by it, or as the Chairman shall call from time to time.

Sec. 5a. The Board of Regents shall report to the Governor annually, to each Regular Session of the Legislature, at the beginning thereof, and to the Texas Commission on Higher Education, annually, the condition of the University, setting forth, in detail, the receipts and disbursements, the number of teachers and salary of each member of the faculty, the number of employees and each salary received and general statement of duties performed, the number of students, classified by grades and departments, an itemized statement of all the expenses incurred for each year, together with a summary of the proceedings of the Board and of the faculty.

Sec. 6. Regents May Appoint and Remove Officers.

The Board of Regents shall have power to appoint and to remove the President, any faculty member, or other officer or employee of the University when in its judgment, the interest of the University shall require it, and it shall fix the respective salaries and duties of such officers and employees.

Sec. 7. Courses and Degrees.

The Board of Regents shall have the authority to prescribe courses leading to customary degrees such as are offered in American universities of the first rank; provided, however, that the role and scope of the University of Houston, including its authorized departments and offerings of degree and certificate programs at the effective date of this Act, shall be subject to the determination and approval of the Texas Commission on Higher Education; and provided further, that no new department, degree program, or certificate program shall be added by the University of Houston after the effective date of this Act, except by specific prior approval by the Texas Commission on Higher Education. All work done

and all courses, degrees, certificates and diplomas awarded shall conform to standard college requirements as promulgated by the accrediting associations that supervise matters of accreditation of universities and colleges in the State of Texas.

Sec. 7a (1) Unless otherwise provided in this Act, revenues of the State of Texas may not be used to finance the teaching at the University of any course requiring a baccalaureate degree as a prerequisite to credit hereafter referred to as a graduate course.

(2) The Board of Regents shall cause to be collected from students registering in the University in courses of less than graduate rank, tuition or registration fees at rates set in Section 1 of Chapter 196, Acts of the 43rd Legislature, Regular Session, 1933, as such Act was last amended by Chapter 435, Acts of the 55th Legislature, Regular Session, 1957, and the provisions of that Act as amended in 1957 shall apply to the University of Houston unless in conflict with this Act.

(3) The Board of Regents shall cause to be collected from students registering in the University in courses of graduate rank, tuition or registration fees at rates to be determined by the Board, and the revenue from such fees shall be deposited in the State Treasury in a special fund and shall be appropriated by the Legislature to finance the teaching of graduate courses at the University of Houston.

Sec. 8. Transfer of Property.

The University of Houston, acting by and through its Board of Regents, has agreed to donate to the Board of Regents of the University herein created all of the assets, real, personal, tangible and intangible, held in its name, whether of record or not, on the first day of September, 1963, together with all of the indebtednesses against it on that date still outstanding to the extent set forth in this Act, and from such date the University of Houston created by this Act shall hold title to all properties so conveyed and shall commence operations of such properties for the use and benefit of the State of Texas.

Sec. 8a. The indebtedness and limited liability obligations of the present University of Houston are as follows:

(1) Dormitory bonds: The remaining unpaid \$825,000.00 portion of an original dormitory bond issue in the sum of \$3,696,000.00 issued in 1949; the sum of \$2,871,000.00 of such original bond issue having already been paid and liquidated.

Such bonds are presently secured not only by the revenue from dormitory rentals, net income from book store and food service operations, but also by oil and gas royalties given to the University of Houston, and such oil royalties are to be transferred to the University of Houston created by this Act upon the effective date hereof.

It is anticipated that additional payments will be made on such bonds prior to the effective date of this Act. Such bonds being secured at the present time only by liens on the revenues and the oil royalties mentioned above, it is hereby enacted that they shall never become general obligations of the University of Houston created by this Act, but shall remain a charge upon the income tolls, fees, rent and charges encumbered and pledged to pay principal and interest thereon, as well as a lien or charge upon the oil royalties pledged in the deed of trust to support such bonds; and this Act shall not be construed to place any further or additional obligations on the University of Houston created by this Act, than is placed on the present University of Houston by Section 6 of Article 2815k of Vernon's Civil Statutes and the deed of trust securing such bonds. When such bonds have been paid and discharged in full, such oil royalties shall remain the property of the University of Houston created by this Act.

(2) The present University of Houston has outstanding an unpaid indebtedness amounting to as of January 31, 1961, the sum of \$555,000.00, secured by an oil payment given to and owned by it. This oil payment is to be transferred to the University of Houston created by this Act, and such loan is assumed only to the extent that such oil payment shall liquidate same, and no further lien or obligation other than the lien

given against such oil payment is or shall be created by or under this Act; but such note or obligation may be renewed or extended from time to time as the Board may determine.

(3) The present University of Houston, on the effective date of this Act, will owe current obligations and accounts, but anticipates and pledges sufficient cash will be transferred to the University of Houston created by this Act to liquidate all of such current accounts. Such indebtedness and liabilities shall not be assumed by the University of Houston created by this Act save and except to the extent of the unencumbered cash transferred to it at that time. No other debts or liabilities of the present University of Houston (save and except those stated in this Section 8a, and only to the extent provided in this Section 8a) shall be in any manner or to any extent assumed by or become debts or liabilities of the University of Houston created by this Act.

Sec. 9. Donations, Gifts and Endowments.

The Board of Regents is authorized to accept donations, gifts and endowments for the University to be held in trust and administered by said Board for such purposes and under such directions, limitations and provisions as may be declared in writing in the donation, gift, or endowment, not inconsistent with the laws of this State of Texas or with the objectives and proper management of said University.

Sec. 10. Control and Lease of Lands for Oil, Gas and other Mineral Developments.

The Board of Regents of the University of Houston is hereby authorized and empowered to lease for oil, gas, sulphur, ore and other mineral development at public auction all lands under its exclusive control or any part thereof now controlled or owned or that may be hereafter be acquired for the use of the University of Houston.

All moneys received under and by virtue of said leases shall be deposited in the State Treasury to the credit of a Special Fund which in the judgment of said Board may be invested and which principal and income may be expended for the administration of said University.

All leases made or sold hereunder shall be in the same manner set forth and in conformity with the provisions of Chapter 260, page 679, Acts 53rd Legislature, 1953, as amended and codified as Article 2613-a3, Vernon's Civil Statutes, and as fully as though the University of Houston were named in said Article.

Sec. 11. Borrowing Funds for Construction and Equipment of Buildings, Assessing and Pledging Fees.

The Board of Regents of the University of Houston is hereby authorized and empowered without cost to the State of Texas to construct or acquire through funds or loans obtained from the United States of America, or any agency thereof, or any other source, public or private, and accept title thereto subject to such conditions and limitations as may be prescribed by said Board, including, but not limited to class room buildings, dormitories, kitchens and dining halls, hospitals, libraries, student activity buildings, gymnasias, athletic buildings and stadia, and such other buildings and facilities as may be needed for the good of the University of Houston and the moral welfare and social conduct of its students, when the total cost, type of construction, capacity of the buildings, plans and specifications have been approved by the Board.

Provided further, that the Board is authorized to fix fees and charges against the students for the use of the buildings and facilities erected under the authorization of this Section so long as indebtedness remains against such buildings and their equipment, and to pledge the revenues from such fees and charges for the payment of the costs of construction and equipment of such buildings.

Sec. 12. Management of Dormitories and other Facilities.

The Board of Regents is authorized to fix fees, rentals and charges for the use of the dormitories, auditoriums, dining halls, buildings and all other facilities of the University of Houston, and shall make rules and regulations to assure the maximum occupancy and use thereof. The charges made and fees fixed against students and others using any such facilities shall be in amounts deemed by the Board to be reasonable,

taking into consideration the cost of providing such facilities and services, the use to be made thereof, and the advantages to be derived therefrom.

Sec. 13. Charges for Services to the Public.

A schedule of minimum fees and charges shall be established by the Board of Regents for services performed by any department of the University of Houston for students and the public. Said schedule shall conform to the fees and charges customarily made for such services in the community. By way of example, but not as a limitation, are services of the hearing clinic, optometry clinic, reading clinic, data processing and computing center, etc. Any and all fees and compensation that may be derived therefrom shall be reported to the Governor and to the Texas Commission on Higher Education, annually, and to each Regular Session of the Legislature at the beginning thereof, and to the Board of Regents, as may be required by it, including a brief statement of the use made of such facilities, and of the firm, society, organization or association that use such facilities, to be included in each report herein required.

Sec. 14. Contracts for Military Training.

The Board of Regents is empowered to contract with the Department of Defense of the United States of America to establish and maintain courses of military training as a part of its curriculum, with the work of students enrolling in such courses being credited toward degree requirements under such regulations as the Board of Regents may prescribe. Included within its power to contract is the power to lease armory lands and buildings from and to the United States of America, and to acquire such equipment and material as is necessary to accomplish the purposes of such courses, and to enter into insurance contracts for the protection of the Federal Government's rights in and to such properties.

No student of the University shall ever be required to take any portion of such military training as a condition for entrance into the University or for graduation therefrom.

Sec. 15. Applicability of General Laws.

From and after the operative date of this Act, the University of Houston herein created shall be subject to the obligations and entitled to the benefits of all General Laws of Texas applicable to all other state institutions of higher learning, except where such General Laws are in conflict with this Act, and in such instances of conflict this Act shall prevail only to the extent of such conflict.

Sec. 16. Repeal of Conflicting Laws.

All laws and parts of laws in conflict with the provisions of this Act are hereby repealed to the extent of such conflicts only.

Sec. 17. Severability Clause.

If any provision of this Act or the application to any person or circumstance shall be held invalid or unconstitutional, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

Sec. 18. Emergency Clause.

The fact that there is an imperative need for this state institution of higher learning at the University of Houston; and the fact that the present tuition rates required to operate the University of Houston are depriving many youths of a superior college education because they cannot afford to attend college away from their home; and the fact that the creation of the University of Houston under this Act is in the best interest of all of the people of the State of Texas, create an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days in each House be suspended, and said Rule is hereby suspended; and that this Act shall take effect and be in force from and after September 1, 1963, and it is so enacted.

/s/ Ben Ramsey
President of the Senate

/s/ James A. Turman
Speaker of the House

I hereby certify that S. B. No. 2 passed the Senate on May 12, 1961,
by a viva voce vote.

/s/ Charles Schnabel
Secretary of the Senate

I hereby certify that S. B. No. 2 passed the House on May 23, 1961,
by the following vote: Yeas 108, Nays 35.

/s/ Dorothy Hallman
Chief Clerk of the House

Approved:

June 17, 1961
Date

/s/ Price Daniel
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
9:10 PM O'CLOCK

JUN 17, 1961

/s/ P. Frank Lake
Secretary of State.