BILL ANALYSIS

Senate Research Center

S.B. 179 By: Barrientos Jurisprudence 3-26-97 As Filed

DIGEST

Recently, the federal court case, *Hopwood vs. the State of Texas*, has lead to policies prohibiting the consideration of race in Texas university admissions, financial aid and student retention programs. As a result, many employees who make admissions decisions may be apprehensive and overly cautious when considering minorities. Many fear that they may be held personally liable for their decisions. S.B. 179 mandates that all employees of a general academic teaching institution or medical and dental unit who make decisions within the course and scope of their duties shall be indemnified by the state for actual damages, court costs, and attorney's fees in a cause of action that may be made against them. This bill also clarifies that all employees who make admissions decisions within the course and scope of duties would be indemnified.

PURPOSE

As proposed, S.B. 179 mandates that all employees of a general academic teaching institution or medical and dental unit who make decisions within the course and scope of their duties shall be indemnified by the state for actual damages, court costs, and attorney's fees in a cause of action that may be made against them. This bill clarifies that all employees who make admissions decisions within the course and scope of duties would be indemnified.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 104, Civil Practice and Remedies Code, by adding Section 104.009, as follows:

Sec. 104.009. INDEMNIFICATION OF CERTAIN HIGHER EDUCATION EMPLOYEES. Requires the state to indemnify an employee of a general academic teaching institution or a medical and dental unit for actual damages, court costs, and attorney's fees, in a cause of action against the employee based on conduct of the employee in making a decision on an individual's admission to the institution. Provides that the state is liable for indemnification only if damages are based on an employee's action in the course and scope of employment and in good faith in accordance with general academic teaching institution's or a medical and dental unit's policies. Requires the state to pay an amount from the indemnity account created by Section 54.546, Education Code. Defines "general academic teaching institution" and "medical or dental unit."

SECTION 2. Amends Chapter 54E, Education Code, by adding Section 54.546, as follows:

Sec. 54.546. INDEMNIFICATION FEE. Requires a general academic teaching institution or medical or dental unit to collect a fee of \$1 per semester per student enrolled. Requires the fee to be sent to the comptroller, to be credited to the indemnity account. Requires payment from the indemnity account to pay only an amount under Section 104.009, Civil Practice and Remedies Code. Defines "general academic teaching institution" and "medical or dental unit."

SECTION 3. Effective date: September 1, 1997.

Makes application of this Act prospective.

SECTION 4. Emergency clause.