AN ACT

relating to procedures governing employment contracts for faculty members at public institutions
of higher education.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF

TEXAS:

SECTION 1. Subchapter Z, Chapter 51, Education Code, is amended
by adding Section 51.943 to read as follows:

Sec. 51.943. RENEWAL OF FACULTY EMPLOYMENT

CONTRACTS. (a) In this section:

(1) "Contract" means an agreement between an institution of
higher education or its authorized agent and a faculty member that establishes the terms of the
faculty member's employment, including the faculty member's responsibilities and salary, for an
academic year.

(2) "Faculty member" means a person who is employed full
time by an institution of higher education as a member of the faculty whose primary duties
include teaching or research. The term does not include:

(A) a person employed in the classified personnel
system of the institution or a person employed in a similar type of position if the institution does
not have a classified personnel system;

(B) a person who holds faculty rank but who
spends a majority of the person's time for the institution engaged in managerial or supervisory
activities, including a chancellor, vice chancellor, president, vice president, provost, associate or assistant provost, dean, or associate or assistant dean.

(3) "Institution of higher education" has the meaning assigned by Section 61.003.

(b) Except as provided in Subsection (c), an institution of higher education that determines it is in its best interest to reappoint a faculty member for the next academic year shall offer the faculty member a written contract for that academic year not later than 30 days before the first day of the academic year.

(c) For the purposes of this section, an institution of higher education is not required to provide an annual contract to tenure or tenure-track faculty, but must provide tenure and tenure-track faculty with any written notification required in the institution's tenure policy of a change in a term of employment according to the policies of the institution, but no later than the 30th day prior to the change.

(d) If the institution of higher education is unable to comply with Subsection (b), the institution shall:

(1) provide the faculty member with written notification that the institution is unable to comply with Subsection (b);

(2) include in the written notification reasons for its inability to comply with Subsection (b); and

(3) specify in the written notification a time by which it will offer a written contract to the faculty member for the applicable academic year.

(e) If the institution does not offer the faculty member a written contract before the 61st day after the first day of the academic year and the institution retains the

faculty member for that academic year without a written contract, the institution must retain the
faculty member for that academic year under terms and conditions, including terms governing
the faculty member's compensation, that are at least as favorable to the faculty member's
employment for the preceding academic year, unless the institution and the faculty member
subsequently enter into a different written contract.

(f) This section does not prohibit an institution of higher education
from entering into a contract with a faculty member for a period longer than an academic year.

(g) Nothing in this section shall be deemed to provide a faculty
member who does not hold tenure additional rights, privileges, or remedies or to provide an
expectation of continued employment beyond the period of a faculty member's current contract.

SECTION 2. This Act takes effect January 1, 2002, and applies only
to a contract for an academic year that begins after that date.
I certify that H.B. No. 1127 was passed by the House on March 8, 2001, by a non-record vote; and that the House concurred in Senate amendments to H.B. No. 1127 on May 24, 2001, by a non-record vote.

I certify that H.B. No. 1127 was passed by the Senate, with amendments, on May 17, 2001, by the following vote: Yeas 30, Nays 0, 1 present, not voting.