

1-1 By: VanDeaver, et al. (Senate Sponsor - Creighton) H.B. No. 8  
 1-2 (In the Senate - Received from the House April 12, 2023;  
 1-3 May 1, 2023, read first time and referred to Subcommittee on Higher  
 1-4 Education; May 18, 2023, reported adversely, with favorable  
 1-5 Committee Substitute from Committee on Education by the following  
 1-6 vote: Yeas 12, Nays 0; May 18, 2023, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12			X	
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			
1-21	X			

1-22 COMMITTEE SUBSTITUTE FOR H.B. No. 8 By: Bettencourt

1-23 A BILL TO BE ENTITLED  
 1-24 AN ACT

1-25 relating to public higher education, including the public junior  
 1-26 college state finance program.

1-27 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-28 SECTION 1. Section 7.040(a), Education Code, is amended to  
 1-29 read as follows:

1-30 (a) The agency shall prepare information comparing  
 1-31 institutions of higher education in this state and post the  
 1-32 information on the agency's Internet website. Information prepared  
 1-33 under this section shall be made publicly available in a manner that  
 1-34 is accessible [given] to any [a] public or private school student  
 1-35 seeking [who requests] the information. The information shall:

1-36 (1) identify postsecondary education and career  
 1-37 opportunities, including information that states the benefits of  
 1-38 four-year and two-year higher education programs, postsecondary  
 1-39 technical education, skilled workforce careers, and career  
 1-40 education programs;

1-41 (2) assist prospective postsecondary students in  
 1-42 assessing the value of a certificate program, associate or  
 1-43 baccalaureate degree program, or other credential program offered  
 1-44 by an institution of higher education by comparing [compare] each  
 1-45 institution [of higher education] with other institutions using  
 1-46 information included in the electronic tools or platforms developed  
 1-47 by the Texas Higher Education Coordinating Board under Section  
 1-48 61.09022(a) [regarding:

1-49 [~~(A) the relative cost of tuition;~~

1-50 [~~(B) the retention rate of students;~~

1-51 [~~(C) the graduation rate of students;~~

1-52 [~~(D) the average student debt;~~

1-53 [~~(E) the loan repayment rate of students; and~~

1-54 [~~(F) the employment rate of students];~~

1-55 (3) identify the state's future workforce needs, as  
 1-56 projected by the Texas Workforce Commission; ~~and~~

1-57 (4) include annual starting wage information and  
 1-58 educational requirements for the top 25 [10] highest demand jobs in  
 1-59 this state, as identified by the Texas Workforce Commission;

1-60 (5) identify the 40 baccalaureate degree programs with

2-1 the highest average annual wages following graduation; and  
 2-2 (6) identify the 20 associate degree or certificate  
 2-3 programs with the highest average annual wages following  
 2-4 graduation.

2-5 SECTION 2. Section 28.009(b-2), Education Code, is amended  
 2-6 to read as follows:

2-7 (b-2) Any agreement, including a memorandum of  
 2-8 understanding or articulation agreement, between a school district  
 2-9 and public institution of higher education to provide a dual credit  
 2-10 program described by Subsection (b-1) must:

2-11 (1) include specific program goals aligned with the  
 2-12 statewide goals developed under Subsection (b-1);

2-13 (2) establish common advising strategies and  
 2-14 terminology related to dual credit and college readiness;

2-15 (3) provide for the alignment of endorsements  
 2-16 described by Section 28.025(c-1) offered by the district, and dual  
 2-17 credit courses offered under the agreement that apply towards those  
 2-18 endorsements, with postsecondary pathways and credentials at the  
 2-19 institution and industry certifications;

2-20 (4) identify tools, including tools developed by the  
 2-21 agency, the Texas Higher Education Coordinating Board, or the Texas  
 2-22 Workforce Commission, to assist school counselors, students, and  
 2-23 families in selecting endorsements offered by the district and dual  
 2-24 credit courses offered under the agreement;

2-25 (5) establish, or provide a procedure for  
 2-26 establishing, the course credits that may be earned under the  
 2-27 agreement, including by developing a course equivalency crosswalk  
 2-28 or other method for equating high school courses with college  
 2-29 courses and identifying the number of credits that may be earned for  
 2-30 each course completed through the program;

2-31 (6) describe the academic supports and, if applicable,  
 2-32 guidance that will be provided to students participating in the  
 2-33 program;

2-34 (7) establish the district's and the institution's  
 2-35 respective roles and responsibilities in providing the program and  
 2-36 ensuring the quality and instructional rigor of the program;

2-37 (8) state the sources of funding for courses offered  
 2-38 under the program, including, at a minimum, the sources of funding  
 2-39 for tuition, transportation, and any required fees or textbooks for  
 2-40 students participating in the program;

2-41 (9) require the district and the institution to  
 2-42 consider the use of free or low-cost open educational resources in  
 2-43 courses offered under the program;

2-44 (10) ensure the accurate and timely exchange of  
 2-45 information necessary for an eligible student to enroll at no cost  
 2-46 in a dual credit course as provided by Section 28.0095;

2-47 (11) be posted each year on the district's and the  
 2-48 institution's respective Internet websites; and

2-49 (12) [~~(11)~~] designate at least one employee of the  
 2-50 district or institution as responsible for providing academic  
 2-51 advising to a student who enrolls in a dual credit course under the  
 2-52 program before the student begins the course.

2-53 SECTION 3. Subchapter A, Chapter 28, Education Code, is  
 2-54 amended by adding Section 28.0095 to read as follows:

2-55 Sec. 28.0095. FINANCIAL AID FOR SWIFT TRANSFER (FAST)  
 2-56 PROGRAM. (a) In this section:

2-57 (1) "Charter school" means a charter school operating  
 2-58 under Chapter 12.

2-59 (2) "Coordinating board" means the Texas Higher  
 2-60 Education Coordinating Board.

2-61 (3) "Dual credit course" includes a course offered for  
 2-62 joint high school and junior college credit under Section 130.008  
 2-63 or another course offered by an institution of higher education for  
 2-64 which a high school student may earn credit toward satisfaction of:

2-65 (A) a requirement necessary to obtain an  
 2-66 industry-recognized credential or certificate or an associate  
 2-67 degree;

2-68 (B) a foreign language requirement at an  
 2-69 institution of higher education;

3-1 (C) a requirement in the core curriculum, as that  
 3-2 term is defined by Section 61.821, at an institution of higher  
 3-3 education; or

3-4 (D) a requirement in a field of study curriculum  
 3-5 developed by the coordinating board under Section 61.823.

3-6 (4) "Institution of higher education" has the meaning  
 3-7 assigned by Section 61.003.

3-8 (b) The agency and the coordinating board shall jointly  
 3-9 establish the Financial Aid for Swift Transfer (FAST) program to  
 3-10 allow eligible students to enroll at no cost to the student in dual  
 3-11 credit courses at participating institutions of higher education.

3-12 (c) A student is eligible to enroll at no cost in a dual  
 3-13 credit course under the program if the student:

3-14 (1) is enrolled:

3-15 (A) in high school in a school district or  
 3-16 charter school; and

3-17 (B) in a dual credit course at a participating  
 3-18 institution of higher education; and

3-19 (2) was educationally disadvantaged at any time during  
 3-20 the four school years preceding the student's enrollment in the  
 3-21 dual credit course described by Subdivision (1)(B).

3-22 (d) An institution of higher education is eligible to  
 3-23 participate in the program only if the institution charges for each  
 3-24 dual credit course offered by the institution an amount of tuition  
 3-25 that does not exceed the amount prescribed by coordinating board  
 3-26 rule.

3-27 (e) Each school district or charter school shall:

3-28 (1) on a high school student's enrollment in a dual  
 3-29 credit course, determine whether the student meets the criteria for  
 3-30 the program under Subsection (c)(2); and

3-31 (2) notify the institution of higher education that  
 3-32 offers the dual credit course in which the student is enrolled of  
 3-33 the district's or school's determination under Subdivision (1).

3-34 (f) A school district or charter school may make the  
 3-35 determination under Subsection (e)(1) based on the district's or  
 3-36 school's records, the agency's records, or any other method  
 3-37 authorized by commissioner or coordinating board rule. If the  
 3-38 district or school bases the determination on a method other than  
 3-39 the agency's records, the district or school shall report the  
 3-40 method used and the data on which the method is based to the agency  
 3-41 for purposes of verification.

3-42 (g) At least once each year, a participating institution of  
 3-43 higher education shall certify to the agency and the coordinating  
 3-44 board the student's eligibility for the program. Notwithstanding  
 3-45 Section 54.051, a participating institution of higher education may  
 3-46 not charge tuition or fees for the enrollment in a dual credit  
 3-47 course at the institution of a student for whom the institution  
 3-48 receives notice under Subsection (e)(2).

3-49 (h) The coordinating board shall distribute money  
 3-50 transferred to the coordinating board under Section 48.308 to the  
 3-51 participating institutions of higher education in proportion to the  
 3-52 number of dual credit courses in which eligible students are  
 3-53 enrolled at the institution.

3-54 (i) The commissioner and the commissioner of higher  
 3-55 education shall coordinate as necessary to:

3-56 (1) confirm an eligible student's enrollment in a  
 3-57 participating institution of higher education; and

3-58 (2) obtain or share data necessary to verify a  
 3-59 student's eligibility under Subsection (c)(2).

3-60 (j) The commissioner and the coordinating board shall adopt  
 3-61 rules as necessary to implement this section. Notwithstanding  
 3-62 Section 61.033, the coordinating board is not required to use  
 3-63 negotiated rulemaking procedures under Chapter 2008, Government  
 3-64 Code, for the adoption of rules under this section.

3-65 SECTION 4. Section 28.010(a), Education Code, is amended to  
 3-66 read as follows:

3-67 (a) Each school year, a school district shall notify the  
 3-68 parent of each district student enrolled in grade nine or above of:

3-69 (1) the availability of:

4-1 (A) programs in the district under which a  
 4-2 student may earn college credit, including advanced placement  
 4-3 programs, dual credit programs, joint high school and college  
 4-4 credit programs, and international baccalaureate programs;

4-5 (B) career and technology education programs or  
 4-6 other work-based education programs in the district, including any  
 4-7 internship, externship, or apprenticeship programs or a P-TECH  
 4-8 program under Subchapter N, Chapter 29; ~~and~~

4-9 (C) subsidies based on financial need available  
 4-10 for fees paid to take college advanced placement tests or  
 4-11 international baccalaureate examinations under Section 28.054; and

4-12 (D) funding for enrollment in dual credit courses  
 4-13 under Section 28.0095; and

4-14 (2) the qualifications for:

4-15 (A) enrolling in programs described by  
 4-16 Subdivision (1)(A) or (B); or

4-17 (B) funding described by Subdivision (1)(D).

4-18 SECTION 5. Section 28.0253(a)(2), Education Code, is  
 4-19 amended to read as follows:

4-20 (2) "Eligible institution" means an institution of  
 4-21 higher education ~~[that is designated as a research university or~~  
 4-22 ~~emerging research university under the coordinating board's~~  
 4-23 ~~accountability system].~~

4-24 SECTION 6. Section 28.0253(e), Education Code, is amended  
 4-25 to read as follows:

4-26 (e) A school district or open-enrollment charter school  
 4-27 shall allow a student to graduate and receive ~~[may issue]~~ a high  
 4-28 school diploma ~~[to a student]~~ under the program if, using the  
 4-29 standards established under Subsection (c), the student  
 4-30 demonstrates mastery of and early readiness for college in each of  
 4-31 the subject areas described by that subsection and in a language  
 4-32 other than English, notwithstanding any other local or state  
 4-33 requirements.

4-34 SECTION 7. Section 29.908(b), Education Code, is amended to  
 4-35 read as follows:

4-36 (b) The program must:

4-37 (1) provide for a course of study that enables a  
 4-38 participating student to combine high school courses and  
 4-39 college-level courses during grade levels 9 through 12;

4-40 (2) allow a participating student to complete high  
 4-41 school and enroll in a program at an institution of higher education  
 4-42 that will enable the student to, on or before the fifth anniversary  
 4-43 of the date of the student's first day of high school, receive a  
 4-44 high school diploma and either:

4-45 (A) an applied associate degree, as defined by  
 4-46 Texas Higher Education Coordinating Board rule; or

4-47 (B) an academic associate degree, as defined by  
 4-48 Texas Higher Education Coordinating Board rule, with a completed  
 4-49 field of study curriculum developed under Section 61.823 that is  
 4-50 transferable [at least 60 semester credit hours] toward a  
 4-51 baccalaureate degree at one or more general academic teaching  
 4-52 institutions, as defined by Section 61.003;

4-53 (3) include articulation agreements with colleges,  
 4-54 universities, and technical schools in this state to provide a  
 4-55 participating student access to postsecondary educational and  
 4-56 training opportunities at a college, university, or technical  
 4-57 school; and

4-58 (4) provide a participating student flexibility in  
 4-59 class scheduling and academic mentoring.

4-60 SECTION 8. Subchapter G, Chapter 48, Education Code, is  
 4-61 amended by adding Section 48.308 to read as follows:

4-62 Sec. 48.308. ALLOTMENT FOR FINANCIAL AID FOR SWIFT TRANSFER  
 4-63 (FAST) PROGRAM. (a) In this section:

4-64 (1) "Coordinating board" means the Texas Higher  
 4-65 Education Coordinating Board.

4-66 (2) "FAST program" means the Financial Aid for Swift  
 4-67 Transfer (FAST) program under Section 28.0095.

4-68 (b) An institution of higher education participating in the  
 4-69 FAST program is entitled to an allotment in an amount equal to the

5-1 amount of tuition set by coordinating board rule under Section  
 5-2 28.0095(d) for each dual credit course in which a student eligible  
 5-3 to participate in the FAST program is enrolled at the institution.

5-4 (c) The agency shall transfer the total amount of allotments  
 5-5 under this section to the coordinating board for distribution in  
 5-6 accordance with Section 28.0095(h).

5-7 (d) The agency and the coordinating board shall coordinate  
 5-8 as necessary to implement this section.

5-9 (e) The legislature shall include in amounts appropriated  
 5-10 for the Foundation School Program an amount of state aid sufficient  
 5-11 for the agency to make the transfer required under Subsection (c).

5-12 SECTION 9. Section 51.4033, Education Code, is amended to  
 5-13 read as follows:

5-14 Sec. 51.4033. REPORT OF NONTRANSFERABLE CREDIT. (a) Not  
 5-15 later than May [~~March~~] 1 of each year and in the form prescribed by  
 5-16 the coordinating board, each general academic teaching institution  
 5-17 shall provide to the coordinating board and the legislature a  
 5-18 report describing any courses in the Lower-Division Academic Course  
 5-19 Guide Manual or its successor adopted by the coordinating board for  
 5-20 which a student who transfers to the institution from another  
 5-21 institution of higher education is not granted:

5-22 (1) academic credit at the receiving institution; or

5-23 (2) if the student has declared a major and has not  
 5-24 changed majors, academic credit toward the student's major at the  
 5-25 receiving institution.

5-26 (b) A report required by this section must indicate:

5-27 (1) the course name and type;

5-28 (2) which institution of higher education provided  
 5-29 academic credit for the course; and

5-30 (3) the reason why the receiving institution did not  
 5-31 grant academic credit for the course as described by Subsection  
 5-32 (a), including whether the institution complied with the dispute  
 5-33 resolution process under Section 61.826.

5-34 SECTION 10. Section 51.4034(a), Education Code, is amended  
 5-35 to read as follows:

5-36 (a) Not later than May [~~March~~] 1 of each year and in the form  
 5-37 prescribed by the coordinating board, each public junior college  
 5-38 shall provide to the coordinating board and the legislature a  
 5-39 report on courses taken by students who, during the preceding  
 5-40 academic year, transferred to a general academic teaching  
 5-41 institution or earned an associate degree at the college.

5-42 SECTION 11. Section 51.762(b-1), Education Code, is amended  
 5-43 to read as follows:

5-44 (b-1) An electronic common admission application form  
 5-45 adopted under this section must include a prominent link to the  
 5-46 electronic tools or platforms developed by the board under Section  
 5-47 61.09022 [~~comparative gainful employment data regarding~~  
 5-48 ~~institutions of higher education, including information described~~  
 5-49 ~~by Section 7.040, on a website maintained by the board using data~~  
 5-50 ~~compiled by the board in coordination with the Texas Workforce~~  
 5-51 ~~Commission].~~

5-52 SECTION 12. Section 51.763(b), Education Code, is amended  
 5-53 to read as follows:

5-54 (b) The form must:

5-55 (1) allow each applicant to:

5-56 (A) apply electronically to one or more of the  
 5-57 general academic teaching institutions within the university  
 5-58 system; and

5-59 (B) indicate preferences for admission between  
 5-60 those institutions; and

5-61 (2) include a prominent link to the electronic tools  
 5-62 or platforms developed by the board under Section 61.09022  
 5-63 [~~comparative gainful employment data regarding institutions of~~  
 5-64 ~~higher education, including information described by Section~~  
 5-65 ~~7.040, on a website maintained by the board using data compiled by~~  
 5-66 ~~the board in coordination with the Texas Workforce Commission].~~

5-67 SECTION 13. Section 51.907, Education Code, is amended by  
 5-68 adding Subsections (c-1) and (c-2) to read as follows:

5-69 (c-1) An institution of higher education may not count

6-1 toward the number of courses permitted to be dropped under  
 6-2 Subsection (c) or a policy adopted under Subsection (d) a course  
 6-3 that a student dropped while enrolled in a baccalaureate degree  
 6-4 program previously earned by the student.

6-5 (c-2) An institution of higher education may not count  
 6-6 toward the number of courses permitted to be dropped under  
 6-7 Subsection (c) or a policy adopted under Subsection (d) a dual  
 6-8 credit or dual enrollment course that a student dropped before  
 6-9 graduating from high school.

6-10 SECTION 14. Section 54.3531(b), Education Code, is amended  
 6-11 to read as follows:

6-12 (b) Notwithstanding Subsection (a), a student may not  
 6-13 receive an exemption under this section for any course if the  
 6-14 student has previously attempted a number of semester credit hours  
 6-15 for courses taken at any institution of higher education while  
 6-16 classified as a resident student for tuition purposes in excess of  
 6-17 the maximum number of those hours specified by Section 61.0595(a)  
 6-18 as eligible for funding under the formulas established under  
 6-19 Section 61.059 or Chapter 130A.

6-20 SECTION 15. Section 56.221(2), Education Code, is amended  
 6-21 to read as follows:

6-22 (2) "Eligible institution" means an institution of  
 6-23 higher education, as that term is defined by Section 61.003 [~~that~~  
 6-24 ~~is designated as a research university or emerging research~~  
 6-25 ~~university under the coordinating board's accountability system].~~

6-26 SECTION 16. Section 56.407(g), Education Code, is amended  
 6-27 to read as follows:

6-28 (g) An institution may use other available sources of  
 6-29 financial aid, other than a loan [~~or a Pell grant~~], to cover any  
 6-30 difference in the amount of a grant under this subchapter and the  
 6-31 actual amount of tuition and required fees at the institution.

6-32 SECTION 17. Sections 61.003(2), (11), and (12), Education  
 6-33 Code, are amended to read as follows:

6-34 (2) "Public junior college" means any junior college  
 6-35 listed as a public junior college [certified by the board] in  
 6-36 accordance with Section 61.063 [of this chapter].

6-37 (11) "Degree program" means any grouping of subject  
 6-38 matter courses which, when satisfactorily completed by a student,  
 6-39 will entitle the student [him] to:

6-40 (A) a degree from a public senior college or  
 6-41 university or a medical or dental unit; or

6-42 (B) an academic associate degree, as defined by  
 6-43 board rule, or baccalaureate degree from a public junior college.

6-44 (12) "Certificate program" means a grouping of  
 6-45 subject-matter courses which, when satisfactorily completed by a  
 6-46 student, will entitle the student [him] to:

6-47 (A) a certificate;

6-48 (B) an [r] associate degree, other than an  
 6-49 academic associate degree, as defined by board rule, from a  
 6-50 technical institute or junior college; or

6-51 (C) [~~r~~ or] documentary evidence, other than a  
 6-52 degree, of completion of a course of study at the postsecondary  
 6-53 level.

6-54 SECTION 18. The heading to Section 61.031, Education Code,  
 6-55 is amended to read as follows:

6-56 Sec. 61.031. PUBLIC [~~INTEREST~~] INFORMATION AND COMPLAINTS.

6-57 SECTION 19. Section 61.031, Education Code, is amended by  
 6-58 adding Subsection (d) to read as follows:

6-59 (d) Notwithstanding any other provision of law, information  
 6-60 that relates to a current, former, or prospective applicant or  
 6-61 student of an educational institution and that is obtained,  
 6-62 received, or held by the board for the purpose of providing  
 6-63 assistance with access to postsecondary education shall be  
 6-64 considered confidential and excepted from disclosure under Chapter  
 6-65 552, Government Code, and may only be released in conformity with  
 6-66 the Family Educational Rights and Privacy Act of 1974 (20 U.S.C.  
 6-67 Section 1232g). The board may withhold information prohibited from  
 6-68 being disclosed under this subsection without requesting a decision  
 6-69 from the attorney general under Subchapter G, Chapter 552,

7-1 Government Code.

7-2 SECTION 20. Section 61.051, Education Code, is amended by  
7-3 adding Subsection (b) to read as follows:

7-4 (b) The board may participate in the establishment and  
7-5 operation of an affiliated nonprofit organization whose purpose is  
7-6 to raise money for or provide services or other benefits to the  
7-7 board.

7-8 SECTION 21. Section 61.0571, Education Code, is amended by  
7-9 adding Subsections (c), (d), (e), and (f) to read as follows:

7-10 (c) The board may provide administrative support and  
7-11 services to institutions of higher education as necessary to  
7-12 implement this chapter, Chapter 130, or Chapter 130A.

7-13 (d) The board may establish an institutional collaboration  
7-14 center within the board to support the implementation of Chapter  
7-15 130A and the efficient and effective operations of institutions of  
7-16 higher education.

7-17 (e) From money appropriated or otherwise available for the  
7-18 purpose, the board may procure goods and services for the direct  
7-19 benefit of an institution of higher education and enter into an  
7-20 interagency contract under Chapter 771, Government Code, with the  
7-21 institution to reimburse the board for the cost of the goods and  
7-22 services.

7-23 (f) An affiliated nonprofit organization described by  
7-24 Section 61.051(b) may accept gifts, grants, or donations from any  
7-25 public or private source to pay for goods or services procured for  
7-26 the direct benefit of an institution of higher education under  
7-27 Subsection (e).

7-28 SECTION 22. Section 61.059, Education Code, is amended by  
7-29 amending Subsections (b), (b-1), and (r) and adding Subsection (s)  
7-30 to read as follows:

7-31 (b) The board shall devise, establish, and periodically  
7-32 review and revise formulas for the use of the governor and the  
7-33 Legislative Budget Board in making appropriations recommendations  
7-34 to the legislature for ~~[all]~~ institutions of higher education other  
7-35 than public junior colleges funded under Chapter 130A~~[, including~~  
7-36 ~~the funding of postsecondary vocational-technical programs]~~. As a  
7-37 specific element of the periodic review, the board shall study and  
7-38 recommend changes in the funding formulas based on the role and  
7-39 mission statements of those institutions of higher education. In  
7-40 carrying out its duties under this section, the board shall employ  
7-41 an ongoing process of committee review and expert testimony and  
7-42 analysis.

7-43 (b-1) A committee under Subsection (b) must be composed of  
7-44 representatives of a cross-section of institutions representing  
7-45 each of the institutional groupings under the board's  
7-46 accountability system, other than public junior colleges funded  
7-47 under Chapter 130A. The commissioner of higher education shall  
7-48 solicit recommendations for the committee's membership from the  
7-49 chancellor of each university system and from the president of each  
7-50 institution of higher education that is not a component of a  
7-51 university system. The chancellor of a university system may  
7-52 ~~[shall]~~ recommend to the commissioner at least one institutional  
7-53 representative for each institutional grouping to which a component  
7-54 of the university system is assigned. The president of an  
7-55 institution of higher education that is not a component of a  
7-56 university system may ~~[shall]~~ recommend to the commissioner at  
7-57 least one institutional representative for the institutional  
7-58 grouping to which the institution is assigned.

7-59 (r) The board shall exclude contact hours or semester credit  
7-60 hours related to a course for which a student is generating formula  
7-61 funding for the third time from the contact hours or semester credit  
7-62 hours reported for formula funding purposes.

7-63 (s) Notwithstanding any other law, the board may not exclude  
7-64 from the number of semester credit hours reported ~~[to the~~  
7-65 ~~Legislative Budget Board]~~ for formula funding under this section or  
7-66 Chapter 130A semester credit hours for any course taken up to three  
7-67 times by a student who:

7-68 (1) has reenrolled at an institution of higher  
7-69 education following a break in enrollment from the institution or

8-1 another institution of higher education covering the 24-month  
8-2 period preceding the first class day of the initial semester or  
8-3 other academic term of the student's reenrollment; and

8-4 (2) successfully completed at least 50 semester credit  
8-5 hours of course work at an institution of higher education before  
8-6 that break in enrollment.

8-7 SECTION 23. Sections 61.0595(a), (d), and (f), Education  
8-8 Code, are amended to read as follows:

8-9 (a) In the formulas established under Section 61.059 or  
8-10 Chapter 130A, the board may not include funding for semester credit  
8-11 hours earned by a resident undergraduate student who before the  
8-12 semester or other academic session begins has previously attempted  
8-13 a number of semester credit hours for courses taken at any  
8-14 institution of higher education while classified as a resident  
8-15 student for tuition purposes that exceeds the number of semester  
8-16 credit hours required for completion of the degree program or  
8-17 programs in which the student is enrolled, including minors and  
8-18 double majors, and for completion of any certificate or other  
8-19 special program in which the student is also enrolled, including a  
8-20 program with a study-abroad component, by at least:

8-21 (1) for an associate degree program, 15 hours; or

8-22 (2) for a baccalaureate degree program, 30 hours.

8-23 (d) The following are not counted for purposes of  
8-24 determining whether the student has previously earned the number of  
8-25 semester credit hours specified by Subsection (a):

8-26 (1) semester credit hours earned by the student before  
8-27 receiving a baccalaureate degree that has previously been awarded  
8-28 to the student;

8-29 (2) semester credit hours earned by the student by  
8-30 examination or under any other procedure by which credit is earned  
8-31 without registering for a course for which tuition is charged;

8-32 (3) credit for a remedial education course, a  
8-33 technical course, a workforce education course funded according to  
8-34 contact hours, or another course that does not count toward a degree  
8-35 program at the institution;

8-36 (4) semester credit hours earned by the student at a  
8-37 private institution or an out-of-state institution;

8-38 (5) semester credit hours earned by the student before  
8-39 graduating from high school and used to satisfy high school  
8-40 graduation requirements; ~~and~~

8-41 (6) the first additional 15 semester credit hours  
8-42 earned toward a degree program by a student who:

8-43 (A) has reenrolled at an institution of higher  
8-44 education following a break in enrollment from the institution or  
8-45 another institution of higher education covering the 24-month  
8-46 period preceding the first class day of the initial semester or  
8-47 other academic term of the student's reenrollment; and

8-48 (B) successfully completed at least 50 semester  
8-49 credit hours of course work at an institution of higher education  
8-50 before that break in enrollment; and

8-51 (7) semester credit hours earned by the student before  
8-52 receiving an associate degree that has been previously awarded to  
8-53 the student.

8-54 (f) In the formulas established under Section 61.059 or  
8-55 Chapter 130A, the board shall include without consideration of  
8-56 Subsection (a) funding for semester credit hours earned by a  
8-57 student who initially enrolled as an undergraduate student in any  
8-58 institution of higher education before the 1999 fall semester.

8-59 SECTION 24. Section 61.063, Education Code, is amended to  
8-60 read as follows:

8-61 Sec. 61.063. LISTING ~~[AND CERTIFICATION]~~ OF PUBLIC JUNIOR  
8-62 COLLEGES; ELIGIBILITY FOR STATE APPROPRIATIONS. (a) The  
8-63 commissioner of higher education shall file with the ~~[state]~~  
8-64 comptroller and the state auditor on or before September ~~[October]~~  
8-65 1 of each year a list of each ~~[the]~~ public junior college ~~[colleges]~~  
8-66 in this state that has certified to the board under Section 130.003  
8-67 that the college is in compliance with the requirements of  
8-68 Subsection (b) of that section.

8-69 (b) ~~[The commissioner shall certify the names of those~~



9-1 ~~colleges that have complied with the standards, rules, and~~  
 9-2 ~~regulations prescribed by the board.] Only a public junior college~~  
 9-3 ~~included on the list under Subsection (a) is [those colleges which~~  
 9-4 ~~are so certified shall be] eligible for and may receive money~~  
 9-5 ~~appropriated [any appropriation made] by the legislature to public~~  
 9-6 ~~junior colleges.~~

9-7 SECTION 25. Subchapter C, Chapter 61, Education Code, is  
 9-8 amended by adding Section 61.09022 to read as follows:

9-9 Sec. 61.09022. INFORMATION TO ASSIST STUDENTS IN ASSESSING  
 9-10 VALUE OF POSTSECONDARY CREDENTIALS. (a) From money appropriated  
 9-11 or otherwise available for the purpose, the board shall develop one  
 9-12 or more electronic tools or platforms to provide information to  
 9-13 assist prospective postsecondary students in assessing the value of  
 9-14 a certificate program, associate or baccalaureate degree program,  
 9-15 or other credential program offered by an institution of higher  
 9-16 education or private or independent institution of higher education  
 9-17 by comparing each institution with other institutions regarding:

9-18 (1) the relative cost of obtaining the certificate,  
 9-19 degree, or other credential, based on the most recent data  
 9-20 available to the board from the Texas Workforce Commission,  
 9-21 institutions of higher education, the federal government, or any  
 9-22 other source from which the board may obtain reliable data,  
 9-23 including:

9-24 (A) the cost for each of the following at the 25th  
 9-25 percentile, the median, and the 75th percentile:

- 9-26 (i) total cost of attendance;
- 9-27 (ii) tuition and fees;
- 9-28 (iii) room and board;
- 9-29 (iv) books and supplies;
- 9-30 (v) transportation; and
- 9-31 (vi) other costs; and

9-32 (B) the estimated net cost remaining after  
 9-33 subtracting from the amount described by Paragraph (A) the average  
 9-34 amount of scholarship and grant aid awarded to the typical student  
 9-35 for the program;

9-36 (2) the value of the certificate, degree, or other  
 9-37 credential as measured by comparing:

9-38 (A) the median wage earned by students who  
 9-39 graduated with the certificate, degree, or other credential from  
 9-40 the institution; and

9-41 (B) the median student debt of students who  
 9-42 graduated with the certificate, degree, or other credential from  
 9-43 the institution as compared to the median student debt of all  
 9-44 students who graduated with the certificate, degree, or other  
 9-45 credential, based on the most recent data available to the board  
 9-46 from the Texas Workforce Commission, institutions of higher  
 9-47 education, the federal government, or any other source from which  
 9-48 the board may obtain reliable data;

9-49 (3) the average student debt-to-income ratio of  
 9-50 students who graduated with the certificate, degree, or other  
 9-51 credential from the institution and have student debt, including  
 9-52 the estimated monthly student loan payment, computed using the  
 9-53 standard 10-year repayment plan;

9-54 (4) progress on repaying student loans by students who  
 9-55 graduated with the certificate, degree, or other credential from  
 9-56 the institution; and

9-57 (5) educational outcomes for students seeking the  
 9-58 certificate, degree, or other credential, including:

9-59 (A) for a program designed to be completed in  
 9-60 more than one year, the percentage of students who continue in the  
 9-61 program after the first year of study;

9-62 (B) the completion rate;

9-63 (C) the percentage of students who withdraw or  
 9-64 transfer from the institution and subsequently graduate with the  
 9-65 certificate, degree, or other credential from another institution  
 9-66 of higher education or private or independent institution of higher  
 9-67 education;

9-68 (D) the percentage of students who withdraw from  
 9-69 the institution and do not enroll in the program at another

10-1 institution of higher education or private or independent  
 10-2 institution of higher education within three years of the  
 10-3 withdrawal; and

10-4 (E) the percentage of graduates employed in the  
 10-5 top five industries in this state, as identified by the Texas  
 10-6 Workforce Commission, by certificate program, degree program, or  
 10-7 other credential program within one year of graduation.

10-8 (c) The board may solicit and accept gifts, grants, and  
 10-9 donations from any public or private source to implement this  
 10-10 section.

10-11 (d) The board shall adopt rules as necessary to implement  
 10-12 this section.

10-13 SECTION 26. Section 7.040(c), Education Code, is  
 10-14 transferred to Section 61.09022, Education Code, as added by this  
 10-15 Act, redesignated as Section 61.09022(b), Education Code, and  
 10-16 amended to read as follows:

10-17 (b) [~~(c)~~] Each institution of higher education shall  
 10-18 include on its Internet website, in a prominent location that is not  
 10-19 more than three hyperlinks from the website's home page, a link to  
 10-20 the electronic tools or platforms developed by the board  
 10-21 [information posted on the agency's Internet website] under  
 10-22 Subsection (a).

10-23 SECTION 27. Sections 61.822(b) and (c), Education Code, are  
 10-24 amended to read as follows:

10-25 (b) Each institution of higher education shall adopt a core  
 10-26 curriculum of no less than 42 semester credit hours, including  
 10-27 specific courses comprising the curriculum. The core curriculum  
 10-28 shall be consistent with the common course numbering system  
 10-29 approved by the board and with the statement, recommendations, and  
 10-30 rules issued by the board. An institution may have a core  
 10-31 curriculum of other than 42 semester credit hours only if approved  
 10-32 by the board. The board by rule may approve a core curriculum of  
 10-33 fewer than 42 semester credit hours for an associate degree program  
 10-34 if the board determines that the approval would facilitate the  
 10-35 award of a degree or transfer of credit consistent with this  
 10-36 subchapter.

10-37 (c) If a student successfully completes the [42-hour] core  
 10-38 curriculum at an institution of higher education, that block of  
 10-39 courses may be transferred to any other institution of higher  
 10-40 education and must be substituted for the receiving institution's  
 10-41 core curriculum. A student shall receive academic credit for each  
 10-42 of the courses transferred and may not be required to take  
 10-43 additional core curriculum courses at the receiving institution  
 10-44 unless the board has approved a larger core curriculum at the  
 10-45 institution.

10-46 SECTION 28. Section 61.823, Education Code, is amended by  
 10-47 adding Subsection (a-1) and amending Subsection (b) to read as  
 10-48 follows:

10-49 (a-1) The board by rule may authorize a general academic  
 10-50 teaching institution to adopt, for each field of study curriculum  
 10-51 developed by the board for which the institution offers a degree  
 10-52 program, a set of courses specific to that field of study, for a  
 10-53 total of at least six semester credit hours or the equivalent, that  
 10-54 must be completed as part of the field of study curriculum for that  
 10-55 institution. Each general academic teaching institution that  
 10-56 adopts a set of courses for a field of study curriculum under this  
 10-57 subsection shall post on the institution's Internet website in a  
 10-58 manner easily accessible to students the set of courses with the  
 10-59 associated course numbers under the common course numbering system.

10-60 (b) If a student successfully completes a field of study  
 10-61 curriculum developed by the board, that block of courses may be  
 10-62 transferred to a general academic teaching institution and, subject  
 10-63 to completion of the set of courses adopted by the institution for  
 10-64 that field of study under Subsection (a-1), must be substituted for  
 10-65 that institution's lower division requirements for the degree  
 10-66 program for the field of study into which the student transfers, and  
 10-67 the student shall receive full academic credit toward the degree  
 10-68 program for the block of courses transferred.

10-69 SECTION 29. Sections 61.826(c), (d), and (e), Education

11-1 Code, are amended to read as follows:

11-2 (c) If an institution of higher education proposes to deny  
 11-3 the application toward the institution's core curriculum or a field  
 11-4 of study curriculum developed by the board under Section 61.823 of  
 11-5 [does not accept] course credit earned by a student at another  
 11-6 institution of higher education in the other institution's core  
 11-7 curriculum or in a field of study curriculum, that institution  
 11-8 must:

11-9 (1) ~~[shall]~~ give written notice to the student and the  
 11-10 other institution of that institution's intent to deny ~~[that]~~ the  
 11-11 application [transfer] of the course credit to the institution's  
 11-12 core curriculum or field of study curriculum and the reasons for the  
 11-13 proposed denial;

11-14 (2) ~~[is denied. The two institutions and the student~~  
 11-15 ~~shall] attempt to resolve the application [transfer] of the course~~  
 11-16 ~~credit to the institution's core curriculum or field of study~~  
 11-17 ~~curriculum with the other institution and the student in accordance~~  
 11-18 ~~with this section and board rules;~~

11-19 (3) resolve the dispute not later than the 45th day  
 11-20 after the date on which the student enrolls in that institution; and

11-21 (4) ~~if [IF] the [transfer] dispute is not resolved to~~  
 11-22 ~~the satisfaction of the student or the institution at which the~~  
 11-23 ~~credit was earned, [within 45 days after the date the student~~  
 11-24 ~~received written notice of the denial, the institution that denies~~  
 11-25 ~~the transfer of the course credit shall] notify the commissioner of~~  
 11-26 ~~higher education of its denial to apply the course credit to the~~  
 11-27 ~~institution's core curriculum or field of study curriculum and the~~  
 11-28 ~~reasons for the denial.~~

11-29 (d) Not later than the 20th business day after the date the  
 11-30 commissioner of higher education receives notice of a dispute  
 11-31 concerning the application of course credit to an institution of  
 11-32 higher education's core curriculum or field of study curriculum  
 11-33 under Subsection (c)(4), the [The] commissioner [of higher  
 11-34 education] or the commissioner's designee shall make the final  
 11-35 determination about the [a] dispute [concerning the transfer of  
 11-36 course credit] and give written notice of the determination to the  
 11-37 involved student and institutions. If the commissioner or the  
 11-38 commissioner's designee determines that the institution may not  
 11-39 deny the application of course credit described by Subsection (c)  
 11-40 to the institution's core curriculum or field of study curriculum,  
 11-41 the institution shall apply that course credit toward the  
 11-42 institution's core curriculum or field of study curriculum, as  
 11-43 applicable. A determination by the commissioner or the  
 11-44 commissioner's designee under this subsection is final and may not  
 11-45 be appealed.

11-46 (e) The board shall:

11-47 (1) collect data on the types of transfer disputes  
 11-48 that are reported and the disposition of each case that is  
 11-49 considered by the commissioner of higher education or the  
 11-50 commissioner's designee; and

11-51 (2) post on the board's Internet website a list of each  
 11-52 case that is considered by the commissioner of higher education or  
 11-53 the commissioner's designee under this section, including the  
 11-54 disposition of the case.

11-55 SECTION 30. Section 61.827(b), Education Code, is amended  
 11-56 to read as follows:

11-57 (b) In adopting rules regarding the recommended core  
 11-58 curriculum developed under Section 61.822, the board shall appoint  
 11-59 a committee to advise the board [use the negotiated rulemaking  
 11-60 procedures] under Section 2001.031 [Chapter 2008], Government  
 11-61 Code.

11-62 SECTION 31. Subchapter S, Chapter 61, Education Code, is  
 11-63 amended by adding Section 61.834 to read as follows:

11-64 Sec. 61.834. TEXAS DIRECT ASSOCIATE DEGREE. A public  
 11-65 junior college, public state college, or public technical institute  
 11-66 shall award a student a "Texas Direct" associate degree and include  
 11-67 an appropriate notation on the student's transcript if the student  
 11-68 completes a field of study curriculum developed by the board under  
 11-69 Section 61.823 and:

12-1                   (1) the college's core curriculum; or  
 12-2                   (2) an abbreviated core curriculum related to a  
 12-3 specific approved field of study curriculum transferable to one or  
 12-4 more general academic teaching institutions.

12-5           SECTION 32. Section 61.882(d), Education Code, is amended  
 12-6 to read as follows:

12-7           (d) In awarding grants under this subchapter, the board:

12-8                   (1) shall, to the greatest extent practicable:

12-9                           (A) award grants to at least one eligible entity  
 12-10 in each region of the state; and

12-11                           (B) ensure that each training program:

12-12                                   (i) matches regional workforce needs;

12-13                                   (ii) is supported by a labor market  
 12-14 analysis of job postings and employers hiring roles with the skills  
 12-15 developed by the program; and

12-16                                   (iii) does not duplicate existing program  
 12-17 offerings except as necessary to accommodate regional demand; and

12-18                   (2) may give preference to applicants that:

12-19                           (A) represent a consortium of lower-division  
 12-20 institutions of higher education;

12-21                           (B) prioritize training to displaced workers;

12-22                           (C) offer affordable training programs to  
 12-23 students; or

12-24                           (D) partner with employers, local chambers of  
 12-25 commerce, trade associations, economic development corporations,  
 12-26 and local workforce boards to analyze job postings and identify  
 12-27 employers hiring roles with the skills developed by the training  
 12-28 programs.

12-29           SECTION 33. Section 130.001(b), Education Code, is amended  
 12-30 to read as follows:

12-31           (b) The coordinating board shall have the responsibility  
 12-32 for adopting policies, enacting regulations, and establishing  
 12-33 general rules necessary for carrying out the duties with respect to  
 12-34 public junior colleges as prescribed by the legislature, and with  
 12-35 the advice and assistance of the commissioner of higher education,  
 12-36 shall have authority to:

12-37                   (1) authorize the creation of public junior college  
 12-38 districts as provided in the statutes, giving particular attention  
 12-39 to the need for a public junior college in the proposed district and  
 12-40 the ability of the district to provide adequate local financial  
 12-41 support;

12-42                   (2) dissolve any public junior college district which  
 12-43 has failed to establish and maintain a junior college within three  
 12-44 years from the date of its authorization;

12-45                   (3) adopt standards for the operation of public junior  
 12-46 colleges and prescribe the rules and regulations for such colleges;

12-47                   (4) require of each public junior college such reports  
 12-48 as deemed necessary in accordance with the coordinating board's  
 12-49 rules and regulations; and

12-50                   (5) establish a standing advisory committee  
 12-51 [commissions] composed of representatives of public junior  
 12-52 colleges [and other citizens of the state] to provide advice and  
 12-53 counsel to the coordinating board with respect to the funding of  
 12-54 public junior colleges necessary to carry out this chapter and  
 12-55 Chapter 130A.

12-56           SECTION 34. Sections 130.003(a), (b), (e), and (f),  
 12-57 Education Code, are amended to read as follows:

12-58           (a) There shall be appropriated biennially from money in the  
 12-59 state treasury not otherwise appropriated an amount sufficient to  
 12-60 supplement local funds for the proper support, maintenance,  
 12-61 operation, and improvement of those public junior colleges of Texas  
 12-62 that meet the standards prescribed by this chapter. The sum shall  
 12-63 be allocated in accordance with Chapter 130A [on the basis of  
 12-64 contact hours within categories developed, reviewed, and updated by  
 12-65 the coordinating board].

12-66           (b) To be eligible for and to receive money appropriated  
 12-67 under Subsection (a) [a proportionate share of the appropriation],  
 12-68 a public junior college must certify to the coordinating board, in  
 12-69 the manner prescribed by coordinating board rule, that the college:

13-1 (1) offers [~~be certified as a public junior college as~~  
 13-2 ~~prescribed in Section 61.063,~~

13-3 [~~(2) offer~~] a minimum of 24 semester hours of  
 13-4 vocational and/or terminal courses;

13-5 (2) collects [~~(3) have complied with all existing~~  
 13-6 ~~laws, rules, and regulations governing the establishment and~~  
 13-7 ~~maintenance of public junior colleges,~~

13-8 [~~(4) collect~~], from each full-time and part-time  
 13-9 student enrolled, tuition [~~matriculation~~] and other [~~session~~] fees  
 13-10 in the amounts required by law or in the amounts set by the  
 13-11 governing board of the junior college district as authorized by  
 13-12 this title;

13-13 (3) grants [~~(5) grant~~], when properly applied for,  
 13-14 the scholarships and tuition exemptions provided for in this code;

13-15 (4) [~~and~~  
 13-16 [~~(6)~~] for a public junior college established on or  
 13-17 after September 1, 1986, levies and collects [~~levy and collect~~] ad  
 13-18 valorem taxes as provided by law for the operation and maintenance  
 13-19 of the [~~public junior~~] college; and

13-20 (5) has complied with all laws and coordinating board  
 13-21 rules for the establishment and operation of a public junior  
 13-22 college.

13-23 (e) The primary purpose of each public junior [~~community~~]  
 13-24 college shall be to provide:

13-25 (1) technical programs up to two years in length  
 13-26 leading to associate degrees or certificates;

13-27 (2) vocational programs leading directly to  
 13-28 employment in semi-skilled and skilled occupations;

13-29 (3) [~~freshman and sophomore~~] courses in the core  
 13-30 curriculum or a field of study curriculum, as those terms are  
 13-31 defined by Section 61.821 [~~arts and sciences~~];

13-32 (4) continuing adult education programs for  
 13-33 occupational or cultural upgrading;

13-34 (5) compensatory education programs designed to  
 13-35 fulfill the commitment of an admissions policy allowing the  
 13-36 enrollment of disadvantaged students;

13-37 (6) a continuing program of counseling and guidance  
 13-38 designed to assist students in achieving their individual  
 13-39 educational goals;

13-40 (7) work force development programs designed to meet  
 13-41 local and statewide needs;

13-42 (8) adult literacy and other basic skills programs for  
 13-43 adults; and

13-44 (9) such other purposes as may be prescribed by the  
 13-45 coordinating board [~~Texas Higher Education Coordinating Board~~] or  
 13-46 local governing boards in the best interest of post-secondary  
 13-47 education in this state [~~Texas~~].

13-48 (f) This section does not affect the application of [~~alter,~~  
 13-49 ~~amend, or repeal~~] Section 54.231 [~~54.060 of this code~~].

13-50 SECTION 35. Section 130.0031, Education Code, is amended to  
 13-51 read as follows:

13-52 Sec. 130.0031. TRANSFERS: WHEN MADE. (a) In consultation  
 13-53 with the advisory committee established under Section  
 13-54 130.001(b)(5), the Texas Higher Education Coordinating Board by  
 13-55 rule shall adopt a payment schedule by which money appropriated to  
 13-56 junior college districts under this chapter and Chapter 130A is  
 13-57 distributed to those districts [~~In this section.~~

13-58 (1) "Category 1 junior college" means a junior  
 13-59 college having not more than 2,500 students in fall head count  
 13-60 enrollment for the previous fiscal year and not more than \$300,000  
 13-61 of local taxes collected, excluding taxes for debt service, in the  
 13-62 previous fiscal year.

13-63 (2) "Category 2 junior college" means a junior  
 13-64 college having more than 2,500 students in fall head count  
 13-65 enrollment for the previous fiscal year or more than \$300,000 of  
 13-66 local taxes collected, excluding taxes for debt service, in the  
 13-67 previous fiscal year].

13-68 (b) The Texas Higher Education Coordinating Board may  
 13-69 modify the [~~Money appropriated for payment to junior colleges under~~

14-1 ~~the authority of Section 130.003 of this code shall be paid to each~~  
 14-2 ~~eligible category 1 junior college out of the public junior college~~  
 14-3 ~~reimbursement fund as follows:~~

14-4 ~~[(1) 24 percent of the yearly entitlement of the~~  
 14-5 ~~junior college shall be paid in two equal installments to be made on~~  
 14-6 ~~or before the 25th day of September and October, and~~

14-7 ~~[(2) 76 percent of the yearly entitlement of the~~  
 14-8 ~~junior college shall be paid in eight equal installments to be made~~  
 14-9 ~~on or before the 25th day of November, December, January, February,~~  
 14-10 ~~March, April, May, and June.~~

14-11 ~~[(c) Money appropriated for payment to junior colleges~~  
 14-12 ~~under the authority of Section 130.003 of this code shall be paid to~~  
 14-13 ~~each eligible category 2 junior college out of the public junior~~  
 14-14 ~~college reimbursement fund as follows:~~

14-15 ~~[(1) 24 percent of the yearly entitlement of the~~  
 14-16 ~~junior college shall be paid in two equal installments to be made on~~  
 14-17 ~~or before the 25th day of September and October, and~~

14-18 ~~[(2) 76 percent of the yearly entitlement of the~~  
 14-19 ~~junior college shall be paid in eight equal installments to be made~~  
 14-20 ~~on or before the 25th day of November, December, March, April, May,~~  
 14-21 ~~June, July, and August.~~

14-22 ~~[(d) The] amount of any installment required under the~~  
 14-23 ~~payment schedule adopted under Subsection (a) [by this section may~~  
 14-24 ~~be modified] to, in accordance with this chapter, Chapter 130A, the~~  
 14-25 ~~General Appropriations Act, or coordinating board rule:~~

14-26 ~~(1) provide the junior college district with the~~  
 14-27 ~~proper amount to which the junior college district may be entitled~~  
 14-28 ~~by law; and~~

14-29 ~~(2) [to] correct errors in the allocation or~~  
 14-30 ~~distribution of funds.~~

14-31 ~~(c) If the amount of an installment under the payment~~  
 14-32 ~~schedule adopted under Subsection (a) [this section] is required to~~  
 14-33 ~~be equal to the amount of another installment [other installments],~~  
 14-34 ~~the amount of the other installment [installments] may be adjusted~~  
 14-35 ~~to provide for that equality. A payment under this section is not~~  
 14-36 ~~invalid because it is not equal to other installments.~~

14-37 SECTION 36. Section 130.0033(c), Education Code, is amended  
 14-38 to read as follows:

14-39 (c) Charging tuition at a reduced rate under this section  
 14-40 does not affect the right of the public junior college to an  
 14-41 allocation [a proportionate share] of state appropriations under  
 14-42 this chapter and Chapter 130A [Section 130.003] for the contact  
 14-43 hours attributable to students paying tuition at the reduced rate.

14-44 SECTION 37. Section 130.0034(a), Education Code, is amended  
 14-45 to read as follows:

14-46 (a) The governing board of a [public] junior college  
 14-47 district may charge a student a higher rate of tuition than the  
 14-48 tuition that would otherwise be charged for a course in which the  
 14-49 student enrolls if:

14-50 (1) the student has previously enrolled in the same  
 14-51 course or a course of substantially the same content and level two  
 14-52 or more times; and

14-53 (2) the student's enrollment in the course is not  
 14-54 included in the contact hours used to determine the junior  
 14-55 college's allocation [proportionate share] of state appropriations  
 14-56 under this chapter and Chapter 130A [Section 130.003].

14-57 SECTION 38. Section 130.0051(a), Education Code, is amended  
 14-58 to read as follows:

14-59 (a) The board of trustees of a junior college district by  
 14-60 resolution may change the name of the district or a college within  
 14-61 the district [by eliminating the words "community" or "junior" from  
 14-62 the name of the district or college], unless the change would cause  
 14-63 the district or college to have the same or substantially the same  
 14-64 name as an existing district, college, or other public or private  
 14-65 institution of higher education in this state.

14-66 SECTION 39. Section 130.008(c), Education Code, is amended  
 14-67 to read as follows:

14-68 (c) The contact hours attributable to the enrollment of a  
 14-69 high school student in a course offered for joint high school and

15-1 junior college credit under this section, excluding a course for  
 15-2 which the student attending high school may receive course credit  
 15-3 toward the physical education curriculum requirement under Section  
 15-4 28.002(a)(2)(C), shall be included in the contact hours used to  
 15-5 determine the junior college's allocation [~~proportionate share~~] of  
 15-6 the state money appropriated and distributed to public junior  
 15-7 colleges under this chapter and Chapter 130A [~~Sections 130.003 and~~  
 15-8 ~~130.0031~~], even if the junior college waives all or part of the  
 15-9 tuition or fees for the student under Subsection (b).

15-10 SECTION 40. Section 130.085(b), Education Code, is amended  
 15-11 to read as follows:

15-12 (b) This action by the board of trustees does not affect  
 15-13 their authority under Section 130.123 [~~of this code~~], nor does this  
 15-14 section in any way supersede that section. This action of the board  
 15-15 does not affect the right of the college to an allocation [~~a~~  
 15-16 ~~proportionate share~~] of state appropriations under this chapter and  
 15-17 Chapter 130A [~~Section 130.003 of this code~~].

15-18 SECTION 41. Section 130.090(c), Education Code, is amended  
 15-19 to read as follows:

15-20 (c) The grant of an exemption from tuition under Subsection  
 15-21 (b) does not affect the right of a junior college to an allocation  
 15-22 [~~a proportionate share~~] of state appropriations under this chapter  
 15-23 and Chapter 130A [~~Section 130.003~~] attributable to the contact  
 15-24 hours of the junior college with the student receiving the  
 15-25 exemption.

15-26 SECTION 42. Section 130.310(a), Education Code, is amended  
 15-27 to read as follows:

15-28 (a) A [~~Except as provided by Subsection (b), a~~] degree  
 15-29 program created under this subchapter shall may be funded solely  
 15-30 by a public junior college's allocation [~~proportionate share~~] of  
 15-31 state appropriations under this chapter and Chapter 130A [~~Section~~  
 15-32 ~~130.003~~], local funds, and private sources. [~~This subsection does~~  
 15-33 ~~not require the legislature to appropriate state funds to support a~~  
 15-34 ~~degree program created under this subchapter.~~] The coordinating  
 15-35 board shall weigh contact hours attributable to students enrolled  
 15-36 in a junior-level or senior-level course offered under this  
 15-37 subchapter used to determine a public junior college's allocation  
 15-38 [~~proportionate share~~] of state appropriations under this chapter  
 15-39 and Chapter 130A [~~Section 130.003~~] in the same manner as a lower  
 15-40 division course in a corresponding field.

15-41 SECTION 43. Section 130.352, Education Code, is amended to  
 15-42 read as follows:

15-43 Sec. 130.352. FORMULA FUNDING FOR WORKFORCE CONTINUING  
 15-44 EDUCATION COURSES. Notwithstanding Section 130.003 or any other  
 15-45 law, contact hours attributable to the enrollment of a student in a  
 15-46 workforce continuing education course offered by a public junior  
 15-47 college shall be included in the contact hours used to determine the  
 15-48 college's allocation [~~proportionate share~~] of state money  
 15-49 appropriated and distributed to public junior colleges under this  
 15-50 chapter and Chapter 130A [~~Sections 130.003 and 130.0031~~],  
 15-51 regardless of whether the college waives all or part of the tuition  
 15-52 or fees for the course under Section 130.354.

15-53 SECTION 44. Section 130.355, Education Code, is amended to  
 15-54 read as follows:

15-55 Sec. 130.355. RULES. The coordinating board shall adopt  
 15-56 any rules the coordinating board considers necessary for the  
 15-57 administration of this subchapter. [~~In adopting those rules, the~~  
 15-58 ~~coordinating board shall use the negotiated rulemaking procedures~~  
 15-59 ~~under Chapter 2008, Government Code.~~]

15-60 SECTION 45. Chapter 130, Education Code, is amended by  
 15-61 adding Subchapter O to read as follows:

15-62 SUBCHAPTER O. OPPORTUNITY HIGH SCHOOL DIPLOMA PROGRAM

15-63 Sec. 130.451. DEFINITIONS. In this subchapter:

15-64 (1) "Coordinating board" means the Texas Higher  
 15-65 Education Coordinating Board.

15-66 (2) "General academic teaching institution" has the  
 15-67 meaning assigned by Section 61.003.

15-68 (3) "Program," unless the context indicates  
 15-69 otherwise, means the Opportunity High School Diploma program

16-1 established under this subchapter.

16-2 Sec. 130.452. PURPOSE. The purpose of the program is to  
 16-3 provide an alternative means by which adult students enrolled in a  
 16-4 workforce education program at a public junior college may earn a  
 16-5 high school diploma at the college through concurrent enrollment in  
 16-6 a competency-based education program that enables students to  
 16-7 demonstrate knowledge substantially equivalent to the knowledge  
 16-8 required to earn a high school diploma in this state.

16-9 Sec. 130.453. ADMINISTRATION. The coordinating board shall  
 16-10 administer the program in consultation with the Texas Education  
 16-11 Agency and the Texas Workforce Commission.

16-12 Sec. 130.454. APPROVAL OF ALTERNATIVE HIGH SCHOOL DIPLOMA  
 16-13 PROGRAM. (a) A public junior college may submit to the  
 16-14 coordinating board an application to participate in the program.  
 16-15 The application must propose an alternative competency-based high  
 16-16 school diploma program to be offered for concurrent enrollment to  
 16-17 adult students without a high school diploma who are enrolled in a  
 16-18 workforce education program at the college. The proposed program  
 16-19 may include any combination of instruction, curriculum,  
 16-20 achievement, internships, or other means by which a student may  
 16-21 attain knowledge sufficient to adequately prepare the student for  
 16-22 postsecondary education or additional workforce education.

16-23 (b) A public junior college may submit an application under  
 16-24 Subsection (a) together with one or more public junior colleges,  
 16-25 general academic teaching institutions, public school districts,  
 16-26 or nonprofit organizations with whom the proposed program described  
 16-27 by that subsection will be offered as provided by Subsection (e).

16-28 (c) The coordinating board may approve not more than five  
 16-29 public junior colleges to participate in the program.

16-30 (d) Subject to Subsection (c), the coordinating board shall  
 16-31 review and approve a public junior college's application to  
 16-32 participate in the program if the board determines that the  
 16-33 college's proposed program described by Subsection (a) will provide  
 16-34 instruction and assessments appropriate to ensure that a student  
 16-35 who successfully completes the proposed program demonstrates  
 16-36 levels of knowledge sufficient to adequately prepare the student  
 16-37 for postsecondary education or additional workforce education. The  
 16-38 coordinating board may coordinate with the Texas Education Agency  
 16-39 as necessary to make a determination under this subsection.

16-40 (e) A public junior college approved to participate in the  
 16-41 program may:

16-42 (1) enter into an agreement with one or more public  
 16-43 junior colleges, general academic teaching institutions, public  
 16-44 school districts, or nonprofit organizations to offer the program  
 16-45 described by Subsection (a); and

16-46 (2) offer the program described by Subsection (a) at  
 16-47 any campus of the college or an entity with which the college has  
 16-48 entered into an agreement under Subdivision (1).

16-49 Sec. 130.455. AWARD OF HIGH SCHOOL DIPLOMA. (a) A public  
 16-50 junior college participating in the program may award a high school  
 16-51 diploma to a student enrolled in the alternative competency-based  
 16-52 high school diploma program offered by the college under the  
 16-53 program if the student performs satisfactorily on assessment  
 16-54 instruments prescribed by coordinating board rule.

16-55 (b) A high school diploma awarded under the program is  
 16-56 equivalent to a high school diploma awarded under Section 28.025.

16-57 Sec. 130.456. FUNDING. (a) The coordinating board and the  
 16-58 Texas Workforce Commission shall coordinate to jointly identify  
 16-59 funding mechanisms, including grants, interagency contracts,  
 16-60 financial aid, or subsidies, available to public junior colleges  
 16-61 and students to encourage and facilitate participation in the  
 16-62 program.

16-63 (b) A public junior college participating in the program is  
 16-64 entitled to receive funding under Section 130.003 for the program  
 16-65 in the manner provided by coordinating board rule.

16-66 Sec. 130.457. REPORT. Not later than December 1, 2026, the  
 16-67 coordinating board shall submit to the legislature a progress  
 16-68 report on the effectiveness of the program and any recommendations  
 16-69 for legislative or other action. This section expires September 1,



17-1 2027.

17-2 Sec. 130.458. RULES. The coordinating board may adopt  
 17-3 rules as necessary to implement this subchapter.

17-4 SECTION 46. Subtitle G, Title 3, Education Code, is amended  
 17-5 by adding Chapter 130A to read as follows:

17-6 CHAPTER 130A. PUBLIC JUNIOR COLLEGE STATE FINANCE PROGRAM

17-7 SUBCHAPTER A. GENERAL PROVISIONS

17-8 Sec. 130A.001. LEGISLATIVE INTENT. It is the intent of the  
 17-9 legislature that, as public junior colleges are locally governed  
 17-10 institutions, providing foundational funding for instruction and  
 17-11 operations of public junior colleges should be primarily a local  
 17-12 responsibility, supported through a combination of tuition, fees,  
 17-13 and local property taxes, with state funding focused primarily on  
 17-14 rewarding outcomes aligned with regional and state education and  
 17-15 workforce needs.

17-16 Sec. 130A.002. PURPOSE. The purpose of the public junior  
 17-17 college state finance program established under this chapter is to  
 17-18 provide a modern and dynamic finance system that ensures that each  
 17-19 public junior college has access to adequate state appropriations  
 17-20 and local resources to support the education and training of the  
 17-21 workforce of the future.

17-22 Sec. 130A.003. DEFINITIONS. In this chapter:

17-23 (1) "Commissioner" means the commissioner of higher  
 17-24 education.

17-25 (2) "Coordinating board" means the Texas Higher  
 17-26 Education Coordinating Board.

17-27 (3) "Program" means the public junior college state  
 17-28 finance program established under this chapter.

17-29 (4) "Public junior college" has the meaning assigned  
 17-30 by Section 61.003.

17-31 Sec. 130A.004. PROGRAM COMPONENTS. The program consists  
 17-32 of:

17-33 (1) a base tier of state and local funding determined  
 17-34 in accordance with Subchapter B that ensures each public junior  
 17-35 college has access to a defined level of base funding for  
 17-36 instruction and operations; and

17-37 (2) a performance tier of state funding determined in  
 17-38 accordance with Subchapter C that constitutes the majority of state  
 17-39 funding and is distributed based on measurable outcomes aligned  
 17-40 with:

17-41 (A) regional and state workforce needs; and

17-42 (B) state goals aligned to the state's long-range  
 17-43 master plan for higher education developed under Section 61.051.

17-44 Sec. 130A.005. ADMINISTRATION OF PROGRAM. (a) The  
 17-45 coordinating board may adopt rules, require reporting, and take  
 17-46 other actions consistent with Chapter 61, Chapter 130, and this  
 17-47 chapter as necessary to implement and administer the program.

17-48 (b) In adopting rules under this section, the coordinating  
 17-49 board shall consult with the advisory committee established under  
 17-50 Section 130.001(b)(5).

17-51 (c) Notwithstanding Section 61.033, the coordinating board  
 17-52 is not required to use negotiated rulemaking procedures under  
 17-53 Chapter 2008, Government Code, for the adoption of rules under this  
 17-54 section.

17-55 Sec. 130A.006. REQUIRED REPORTING. The coordinating board  
 17-56 by rule shall require each junior college district to report to the  
 17-57 coordinating board through the Education Data System, Community  
 17-58 College Annual Reporting and Analysis Tool, Report of Fundable  
 17-59 Operating Expenses, or any successor program, data necessary to:

17-60 (1) calculate funding under this chapter;

17-61 (2) provide timely data and analyses to inform  
 17-62 management decisions by the governing body of each junior college  
 17-63 district;

17-64 (3) administer or evaluate the effectiveness of the  
 17-65 program; or

17-66 (4) audit the program.

17-67 Sec. 130A.007. COMMISSIONER AUTHORITY TO RESOLVE DATA  
 17-68 REPORTING ERRORS AND UNINTENDED CONSEQUENCES FROM FUNDING  
 17-69 FORMULAS. (a) The commissioner may review the accuracy of data

18-1 reported to the coordinating board by junior college districts.

18-2 (b) The commissioner may adjust:

18-3 (1) the distribution of funding under this chapter for  
 18-4 a state fiscal year as necessary to correct errors in data reporting  
 18-5 identified through the commissioner's review under Subsection (a);  
 18-6 and

18-7 (2) a junior college district's funding under this  
 18-8 chapter if the funding formulas used to determine the district's  
 18-9 entitlement would result in an unanticipated loss or gain for the  
 18-10 district that would have a substantial negative impact on the  
 18-11 district's operations.

18-12 (c) Before making an adjustment under this section, the  
 18-13 commissioner must request and receive written approval from the  
 18-14 Legislative Budget Board and the office of the governor. A request  
 18-15 to make an adjustment is considered approved unless the Legislative  
 18-16 Budget Board or the office of the governor issues a written  
 18-17 disapproval within 60 business days after the date on which the  
 18-18 request is received.

18-19 (d) If the commissioner makes an adjustment under  
 18-20 Subsection (b), the commissioner shall provide to the legislature  
 18-21 an explanation regarding the changes necessary to resolve the data  
 18-22 reporting errors or the unintended consequences, as applicable.

18-23 Sec. 130A.008. CENSUS DATE ELIGIBILITY. A junior college  
 18-24 district may report a student in attendance on the district's  
 18-25 approved course census date for the purpose of funding under this  
 18-26 chapter.

18-27 Sec. 130A.009. RECOVERY OF OVERALLOCATED FUNDS. (a) If a  
 18-28 junior college district has received an overallocation of state  
 18-29 funds, the coordinating board shall recover from the district an  
 18-30 amount equal to the overallocation by withholding from subsequent  
 18-31 allocations of state funds for the current or subsequent academic  
 18-32 year or by requesting and obtaining a refund from the district.

18-33 (b) Notwithstanding Subsection (a), the coordinating board  
 18-34 may recover an overallocation of state funds over a period not to  
 18-35 exceed the subsequent five academic years if the commissioner  
 18-36 determines that the overallocation was the result of exceptional  
 18-37 circumstances reasonably caused by statutory changes to Chapter 130  
 18-38 or this chapter and related reporting requirements.

18-39 (c) If a junior college district fails to comply with a  
 18-40 request for a refund under Subsection (a), the coordinating board  
 18-41 shall report to the comptroller that the amount constitutes a debt  
 18-42 for purposes of Section 403.055, Government Code. The coordinating  
 18-43 board shall provide to the comptroller the amount of the  
 18-44 overallocation and any other information required by the  
 18-45 comptroller. The comptroller may certify the amount of the debt to  
 18-46 the attorney general for collection. The junior college district's  
 18-47 governmental immunity is waived to the extent necessary to collect  
 18-48 the debt owed under this section.

18-49 (d) Subject to Subsection (e), the coordinating board may  
 18-50 review a junior college district as necessary to determine if the  
 18-51 district qualifies for each amount received by the district under  
 18-52 this chapter. If the coordinating board determines that a junior  
 18-53 college district received an amount to which the district was not  
 18-54 entitled, the coordinating board may establish a corrective action  
 18-55 plan or withhold the applicable amount of funding from the  
 18-56 district.

18-57 (e) The coordinating board may not review junior college  
 18-58 district expenditures that occurred seven or more years before the  
 18-59 review.

18-60 Sec. 130A.010. GIFTS, GRANTS, AND DONATIONS. Except as  
 18-61 provided by other law, an affiliated nonprofit organization  
 18-62 described by Section 61.051(b) may solicit and accept gifts,  
 18-63 grants, or donations of personal property from any public or  
 18-64 private source to implement or administer this chapter.

#### 18-65 SUBCHAPTER B. STATE FUNDING: BASE TIER

18-66 Sec. 130A.051. BASE TIER FORMULA. The amount of base tier  
 18-67 state funding to which a junior college district is entitled for  
 18-68 instruction and operations under this subchapter for a state fiscal  
 18-69 year is an amount equal to the amount, if any, by which the

19-1 district's guaranteed instruction and operations funding, as  
 19-2 determined under Section 130A.052, exceeds the district's local  
 19-3 share of base tier funding, as determined under Section 130A.056.

19-4 Sec. 130A.052. GUARANTEED INSTRUCTION AND OPERATIONS  
 19-5 FUNDING FORMULA. The amount of a junior college district's  
 19-6 guaranteed instruction and operations funding for a state fiscal  
 19-7 year is equal to the sum of:

19-8 (1) the product of:

19-9 (A) the district's basic allotment under Section  
 19-10 130A.053; and

19-11 (B) the number of weighted full-time equivalent  
 19-12 students enrolled at the district determined in accordance with  
 19-13 Section 130A.054; and

19-14 (2) the district's contact hour funding under Section  
 19-15 130A.055.

19-16 Sec. 130A.053. BASIC ALLOTMENT. The basic allotment for a  
 19-17 junior college district for a state fiscal year is an amount per  
 19-18 weighted full-time equivalent student set by the General  
 19-19 Appropriations Act or other legislative appropriation.

19-20 Sec. 130A.054. WEIGHTED FULL-TIME EQUIVALENT STUDENT;  
 19-21 SCALE ADJUSTMENT. (a) The coordinating board by rule shall  
 19-22 establish student weights for purposes of this chapter that reflect  
 19-23 the higher cost of educating certain students.

19-24 (b) The student weights must be established in a manner that  
 19-25 results in appropriate funding to a junior college district for the  
 19-26 education of a student enrolled in an eligible credit or non-credit  
 19-27 program who is:

19-28 (1) 25 years of age or older;

19-29 (2) economically disadvantaged, as defined by  
 19-30 coordinating board rule; or

19-31 (3) academically disadvantaged, as defined by  
 19-32 coordinating board rule.

19-33 (c) Subject to Subsection (d), the number of weighted  
 19-34 full-time equivalent students enrolled at a junior college district  
 19-35 for purposes of this subchapter is equal to the sum of:

19-36 (1) the number of full-time equivalent students  
 19-37 enrolled in the district; and

19-38 (2) the sum of the weights assigned to students  
 19-39 enrolled in the district.

19-40 (d) The coordinating board by rule shall establish an  
 19-41 equitable adjustment to the number of weighted full-time equivalent  
 19-42 students determined under this section for each junior college  
 19-43 district with a total enrollment of fewer than 5,000 full-time  
 19-44 equivalent students.

19-45 (e) Not later than November 1 of each even-numbered year, a  
 19-46 junior college district that receives an adjustment under  
 19-47 Subsection (d) shall submit to the commissioner a report on the  
 19-48 district's participation in institutional partnerships and shared  
 19-49 services available under Section 61.0571 or other partnerships to  
 19-50 reduce costs and improve operational efficiency.

19-51 Sec. 130A.055. CONTACT HOUR FUNDING. (a) The legislature  
 19-52 shall set by appropriation the amount of funding to be provided to a  
 19-53 junior college district under this subchapter per contact hour.

19-54 (b) The amount of funding per contact hour must be weighted  
 19-55 by discipline to reflect the cost of providing the applicable  
 19-56 course.

19-57 (c) The coordinating board shall determine the total amount  
 19-58 of contact hour funding to which each junior college district is  
 19-59 entitled under this section.

19-60 Sec. 130A.056. LOCAL SHARE. A junior college district's  
 19-61 local share of base tier funding is an amount equal to the sum of the  
 19-62 amounts of revenue estimated to be generated by:

19-63 (1) imposing a maintenance and operations ad valorem  
 19-64 tax in the district at a rate of \$0.05; and

19-65 (2) assessing an amount of tuition and fees to each  
 19-66 full-time equivalent student enrolled in the district equal to the  
 19-67 statewide average amount of tuition and fees assessed by junior  
 19-68 college districts to a full-time equivalent student, determined as  
 19-69 provided by coordinating board rule.

## SUBCHAPTER C. STATE FUNDING: PERFORMANCE TIER

20-1 Sec. 130A.101. PERFORMANCE TIER. (a) A junior college  
 20-2 district is entitled to performance tier funding for a state fiscal  
 20-3 biennium in an amount equal to the sum of the amounts determined  
 20-4 under Subsection (b) for each measurable outcome described by  
 20-5 Subsection (c).

20-6 (b) The amount of performance tier funding for each  
 20-7 measurable outcome described by Subsection (c) is equal to the  
 20-8 product of:

20-9 (1) the sum of:

20-10 (A) the number of times that outcome was achieved  
 20-11 by the junior college district, determined as provided by  
 20-12 coordinating board rule; and

20-13 (B) for an outcome described by Subsection (c)(1)  
 20-14 or (2), the sum of the applicable student weights established by  
 20-15 coordinating board rule for the students who achieved the outcome  
 20-16 at the junior college district as determined under Paragraph (A) of  
 20-17 this subdivision; and

20-18 (2) the amount set by the General Appropriations Act  
 20-19 or other legislative appropriation for the outcome.

20-20 (c) The measurable outcomes considered for purposes of  
 20-21 performance tier funding are:

20-22 (1) the number of credentials of value awarded, as  
 20-23 determined by the coordinating board based on analyses of wages and  
 20-24 costs associated with the credential, including degrees,  
 20-25 certificates, and other credentials from credit and non-credit  
 20-26 programs that equip students for continued learning and greater  
 20-27 earnings in the state economy, with an additional weight for  
 20-28 placement of students who earn that credential in a high-demand  
 20-29 occupation, as defined by coordinating board rule, or an  
 20-30 appropriate proxy determined by the coordinating board based on  
 20-31 available data;

20-32 (2) the number of students who earn at least 15  
 20-33 semester credit hours or the equivalent at the junior college  
 20-34 district and:

20-35 (A) subsequently transfer to a general academic  
 20-36 teaching institution, as that term is defined by Section 61.003; or

20-37 (B) are enrolled in a structured co-enrollment  
 20-38 program, as authorized by coordinating board rule; and

20-39 (3) the number of students who complete a sequence of  
 20-40 at least 15 semester credit hours or the equivalent for dual credit  
 20-41 or dual enrollment courses, as defined by coordinating board rule,  
 20-42 that apply toward academic or workforce program requirements at the  
 20-43 postsecondary level.

20-44 SECTION 47. Section 136.001, Education Code, is amended by  
 20-45 amending Subdivision (1) and adding Subdivision (1-a) to read as  
 20-46 follows:

20-47 (1) "Coordinating board" means the Texas Higher  
 20-48 Education Coordinating Board.

20-49 (1-a) "Nonprofit organization" means an organization  
 20-50 exempt from federal income taxation under Section 501(a), Internal  
 20-51 Revenue Code of 1986, as an organization described by Section  
 20-52 501(c)(3) of that code.

20-53 SECTION 48. Section 136.005(a), Education Code, is amended  
 20-54 to read as follows:

20-55 (a) The coordinating board [~~grant administrator~~] shall  
 20-56 establish and administer the Texas Innovative Adult Career  
 20-57 Education (ACE) Grant Program to provide grants to:

20-58 (1) eligible nonprofit workforce intermediary and job  
 20-59 training organizations; and

20-60 (2) eligible nonprofit organizations providing job  
 20-61 training to veterans.

20-62 SECTION 49. Section 136.006, Education Code, is amended to  
 20-63 read as follows:

20-64 Sec. 136.006. ELIGIBLE ORGANIZATIONS. (a) To be eligible  
 20-65 for a grant under the program, a nonprofit workforce intermediary  
 20-66 and job training organization must:

20-67 (1) apply to the coordinating board [~~grant~~  
 20-68 administrator] in the manner prescribed by the coordinating board  
 20-69

21-1 ~~[grant administrator]~~;

21-2 (2) provide to eligible low-income students, in

21-3 partnership with public junior colleges, public state colleges, or

21-4 public technical institutes:

21-5 (A) job training; and

21-6 (B) a continuum of services designed to move a

21-7 program participant from application to employment, including

21-8 outreach, assessment, case management, support services, and

21-9 career placement;

21-10 (3) be governed by a board or other governing

21-11 structure that includes recognized leaders of broad-based

21-12 community organizations and executive-level or managerial-level

21-13 members of the local business community;

21-14 (4) demonstrate to the satisfaction of the

21-15 coordinating board ~~[program advisory board]~~ that the

21-16 organization's program has achieved or will achieve the following

21-17 measures of success among program participants:

21-18 (A) above-average completion of developmental

21-19 education among participating public junior college, public state

21-20 college, or public technical institute students;

21-21 (B) above-average persistence rates among

21-22 participating public junior college, public state college, or

21-23 public technical institute students;

21-24 (C) above-average certificate or degree

21-25 completion rates by participating students within a three-year

21-26 period compared to demographically comparable public junior

21-27 college, public state college, and public technical institute

21-28 students; and

21-29 (D) entry into careers with significantly higher

21-30 earnings for program participants than previously achieved; and

21-31 (5) provide matching funds in accordance with rules

21-32 adopted under this chapter.

21-33 (a-1) To be eligible for a grant under the program, a

21-34 nonprofit organization providing job training services to veterans

21-35 must:

21-36 (1) apply to the coordinating board ~~[grant~~

21-37 ~~administrator]~~ in the manner prescribed by the coordinating board

21-38 ~~[grant administrator]~~;

21-39 (2) provide to veterans, in partnership with public

21-40 junior colleges, public state colleges, or public technical

21-41 institutes:

21-42 (A) job training; and

21-43 (B) a continuum of services designed to move a

21-44 program participant from application to employment, including

21-45 outreach, assessment, case management, support services, and

21-46 career placement;

21-47 (3) be governed by a board or other governing

21-48 structure that includes recognized leaders of broad-based

21-49 community organizations and executive-level or managerial-level

21-50 members of the local business community;

21-51 (4) demonstrate to the satisfaction of the

21-52 coordinating board ~~[program advisory board]~~ that the

21-53 organization's program has achieved or will achieve the following

21-54 measures of success among program participants:

21-55 (A) the measures prescribed by Subsections

21-56 (a)(4)(A)-(C);

21-57 (B) rapid attainment of civilian workforce

21-58 credentials; and

21-59 (C) entry into careers with significantly higher

21-60 earnings for program participants than previously achieved; and

21-61 (5) provide matching funds in accordance with rules

21-62 adopted under this chapter.

21-63 (b) The matching funds required under Subsection (a)(5) or

21-64 (a-1)(5) may be obtained from any source available to the

21-65 organization, including in-kind contributions, community or

21-66 foundation grants, individual contributions, and local

21-67 governmental agency operating funds. The coordinating board ~~[grant~~

21-68 ~~administrator]~~ may adopt rules requiring an organization to

21-69 demonstrate compliance with the matching funds requirement before

22-1 the payment of the next installment under an awarded grant.

22-2 SECTION 50. Section 136.007, Education Code, is amended to  
22-3 read as follows:

22-4 Sec. 136.007. RULES. [~~(a)~~] The coordinating board [~~grant~~  
22-5 ~~administrator~~] shall adopt rules as necessary for the  
22-6 administration of this chapter, including [~~in the manner provided~~  
22-7 ~~by Chapter 2001, Government Code, for a state agency.~~

22-8 [~~(b) The grant administrator, with recommendations of the~~  
22-9 ~~program advisory board, shall adopt~~] rules regarding eligibility,  
22-10 program tuition and fees, administrative costs, matching funds, and  
22-11 case management and other supports for the program. The rules may  
22-12 include provisions for the payment in periodic installments of  
22-13 grant awards.

22-14 SECTION 51. Section 2308A.007, Government Code, is amended  
22-15 by adding Subsection (a-1) to read as follows:

22-16 (a-1) A credential library established under this section  
22-17 must include the information included in the electronic tools or  
22-18 platforms developed by the coordinating board under Section  
22-19 61.09022(a), Education Code.

22-20 SECTION 52. Sections 61.0593, 61.884(d), 130.003(d),  
22-21 130.310(b), 136.002, 136.004, and 136.005(a-1), Education Code,  
22-22 are repealed.

22-23 SECTION 53. Sections 28.009(b-2), 28.010(a), and  
22-24 29.908(b), Education Code, as amended by this Act, and Section  
22-25 28.0095, Education Code, as added by this Act, apply beginning with  
22-26 the 2023-2024 school year.

22-27 SECTION 54. Sections 51.4033, 51.4034(a), 61.822(b) and  
22-28 (c), 61.823, 61.826(c), (d), and (e), and 61.827(b), Education  
22-29 Code, as amended by this Act, and Section 61.834, Education Code, as  
22-30 added by this Act, apply beginning with the 2023-2024 academic  
22-31 year.

22-32 SECTION 55. The change in law made by this Act to Section  
22-33 56.407(g), Education Code, applies beginning with Texas  
22-34 Educational Opportunity Grants awarded for the 2024 fall semester.  
22-35 Grants awarded for a semester or term before the 2024 fall semester  
22-36 are governed by the applicable law in effect immediately before the  
22-37 effective date of this Act, and the former law is continued in  
22-38 effect for that purpose.

22-39 SECTION 56. The Texas Education Agency and the Texas Higher  
22-40 Education Coordinating Board may identify rules required by the  
22-41 passage of this Act that must be adopted on an emergency basis for  
22-42 purposes of the state fiscal year beginning September 1, 2023, and  
22-43 may use the procedures established under Section 2001.034,  
22-44 Government Code, for adopting those rules. The agency and the  
22-45 coordinating board are not required to make the finding described  
22-46 by Section 2001.034(a), Government Code, to adopt emergency rules  
22-47 under this section.

22-48 SECTION 57. (a) Except as provided by Subsection (b) of  
22-49 this section, this Act takes effect September 1, 2023, and applies  
22-50 to the allocation of state funding to junior college districts  
22-51 beginning with the state fiscal biennium beginning September 1,  
22-52 2023.

22-53 (b) Sections 7.040(a), 28.009(b-2), 28.010(a), 29.908(b),  
22-54 51.4033, 51.4034(a), 51.762(b-1), 51.763(b), 61.031, 61.823, and  
22-55 61.826(c), (d), and (e), Education Code, as amended by this Act, and  
22-56 Sections 28.0095, 61.09022, and 61.834 and Subchapter O, Chapter  
22-57 130, Education Code, and Section 2308A.007(a-1), Government Code,  
22-58 as added by this Act, take effect immediately if this Act receives a  
22-59 vote of two-thirds of all the members elected to each house, as  
22-60 provided by Section 39, Article III, Texas Constitution. If this  
22-61 Act does not receive the vote necessary for immediate effect, those  
22-62 provisions take effect September 1, 2023.

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