

By: Shapleigh

S.B. No. 286

Substitute the following for S.B. No. 286:

By: Morrison

C.S.S.B. No. 286

A BILL TO BE ENTITLED

AN ACT

relating to the continuation and functions of the Texas Higher Education Coordinating Board.

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

SECTION 1. Section 61.0211, Education Code, is amended to read as follows:

Sec. 61.0211. SUNSET PROVISION. The Texas Higher Education Coordinating Board is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the board is abolished and this chapter expires September 1, 2015 [~~2003~~].

SECTION 2. Section 61.022, Education Code, is amended to read as follows:

Sec. 61.022. MEMBERS OF BOARD; APPOINTMENT; TERMS OF OFFICE. (a) The board shall consist of nine [~~18~~] members appointed by the governor so as to provide representation from all areas of the state with the advice and consent of the senate, and as the constitution provides. Members of the board serve staggered six-year terms. The terms of one-third of the members expire August 31 of each odd-numbered year [~~Of the initial appointments to the board six shall be for terms which shall expire August 31, 1967, six for terms which shall expire August 31, 1969, and six for terms which shall expire on August 31, 1971, or at such time as their successors are appointed and have qualified. Thereafter, the~~]

1 ~~governor shall appoint members for terms of six years. Members of~~
2 ~~the Texas Commission on Higher Education are eligible for~~
3 ~~appointment to the board].~~

4 (b) A board ~~[No]~~ member may not be employed professionally
5 for remuneration in the field of education during the member's
6 ~~[his]~~ term of office.

7 SECTION 3. Subsections (b) through (e), Section 61.0222,
8 Education Code, are amended to read as follows:

9 (b) A person may not be a member of the board and may not be a
10 board employee employed in a "bona fide executive, administrative,
11 or professional capacity," as that phrase is used for purposes of
12 establishing an exemption to the overtime provisions of the federal
13 Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.),
14 and its subsequent amendments, if:

15 (1) the person is an officer, employee, or paid
16 consultant of a Texas trade association in the field of higher
17 education; or

18 (2) the person's spouse is an officer, manager, or paid
19 consultant of a Texas trade association in the field of higher
20 education ~~[An officer, employee, or paid consultant of a Texas~~
21 ~~trade association in the field of higher education may not be a~~
22 ~~member or employee of the board if the person is compensated at or~~
23 ~~above the amount prescribed by the General Appropriations Act for~~
24 ~~step 1, salary group 17, of the position classification salary~~
25 ~~schedule].~~

26 ~~(c) [A person who is the spouse of an officer, manager, or~~
27 ~~paid consultant of a Texas trade association in the field of higher~~

~~education may not be a board member and may not be a board employee who is compensated at or above the amount prescribed by the General Appropriations Act for step 1, salary group 17, of the position classification salary schedule.~~

~~[(d)]~~ A person may not be ~~[serve as]~~ a member of the board or act as the general counsel to the board if the person is required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of the board.

(d) In ~~[(e) For the purposes of]~~ this section, "Texas trade association" means a ~~[Texas trade association is a nonprofit,~~ cooperative~~]~~ and voluntarily joined statewide association of business or professional competitors in this state designed to assist its members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

SECTION 4. Subsections (a) and (c), Section 61.0223, Education Code, are amended to read as follows:

(a) It is a ground for removal from the board that ~~[if]~~ a member:

(1) does not have at the time of taking office ~~[appointment]~~ the qualifications required by Section 61.0222(a) ~~[of this code]~~;

(2) does not maintain during service on the board the qualifications required by Section 61.0222(a) ~~[of this code]~~;

(3) is ineligible for membership under ~~[violates a prohibition established by]~~ Section 61.022 or 61.0222 ~~[Section~~

1 ~~61.0222(b), (c), or (d) of this code];~~

2 (4) cannot, because of illness or disability,
3 discharge the member's duties for a substantial part of the member's
4 term ~~[for which the member is appointed because of illness or~~
5 ~~disability]~~; or

6 (5) is absent from more than half of the regularly
7 scheduled board meetings that the member is eligible to attend
8 during a calendar year without an excuse approved ~~[unless the~~
9 ~~absence is excused]~~ by a majority vote of the board.

10 (c) If the commissioner of higher education has knowledge
11 that a potential ground for removal exists, the commissioner shall
12 notify the presiding officer ~~[chairman]~~ of the board of the
13 potential ground. The presiding officer ~~[chairman]~~ shall then
14 notify the governor and the attorney general that a potential
15 ground for removal exists. If the potential ground for removal
16 involves the presiding officer, the commissioner shall notify the
17 next highest ranking officer of the board, who shall then notify the
18 governor and the attorney general that a potential ground for
19 removal exists.

20 SECTION 5. Subchapter B, Chapter 61, Education Code, is
21 amended by adding Section 61.0224 to read as follows:

22 Sec. 61.0224. TRAINING OF BOARD MEMBERS. (a) A person who
23 is appointed to and qualifies for office as a member of the board
24 may not vote, deliberate, or be counted as a member in attendance at
25 a meeting of the board until the person completes a training program
26 that complies with this section.

27 (b) The training program must provide the person with

information regarding:

(1) the legislation that created the board;

(2) the programs operated by the board;

(3) the role and functions of the board;

(4) the rules of the board, with an emphasis on the rules that relate to disciplinary and investigatory authority;

(5) the current budget for the board;

(6) the results of the most recent formal audit of the board;

(7) the requirements of:

(A) the open meetings law, Chapter 551, Government Code;

(B) the public information law, Chapter 552, Government Code;

(C) the administrative procedure law, Chapter 2001, Government Code; and

(D) other laws relating to public officials, including conflict-of-interest laws; and

(8) any applicable ethics policies adopted by the board or the Texas Ethics Commission.

(c) A person appointed to the board is entitled to reimbursement, as provided by the General Appropriations Act, for the travel expenses incurred in attending the training program regardless of whether the attendance at the program occurs before or after the person qualifies for office.

SECTION 6. Subsections (f) and (g), Section 61.028, Education Code, are amended to read as follows:

(f) The commissioner or the commissioner's designee shall prepare and maintain a written policy statement that implements ~~to assure implementation of~~ a program of equal employment opportunity to ensure that ~~[under which]~~ all personnel decisions ~~[transactions]~~ are made without regard to race, color, disability ~~[handicap]~~, sex, religion, age, or national origin. The policy statement must include:

(1) personnel policies, including policies relating to recruitment, evaluation, selection, ~~[appointment,]~~ training, and promotion of personnel, that show the intent of the board to avoid the unlawful employment practices described by Chapter 21, Labor Code; and

(2) an ~~[a comprehensive]~~ analysis of the extent to which the composition of the board's personnel is in accordance with state and federal law and a description of reasonable methods to achieve compliance with state and federal law ~~[work force that meets federal and state guidelines,]~~

~~[(3) procedures by which a determination can be made of significant underuse in the board's work force of all persons for whom federal or state guidelines encourage a more equitable balance; and~~

~~[(4) reasonable methods to appropriately address those areas of significant underuse].~~

(g) The ~~[A]~~ policy statement ~~[prepared under Subsection (f) of this section]~~ must:

(1) ~~[cover an annual period,]~~ be updated ~~[at least]~~ annually;

1 (2) be reviewed by the state Commission on Human
2 Rights for compliance with Subsection (f)(1);[7] and

3 (3) be filed with the governor's office.

4 SECTION 7. Subchapter B, Chapter 61, Education Code, is
5 amended by adding Section 61.0281 to read as follows:

6 Sec. 61.0281. STATE EMPLOYEE INCENTIVE PROGRAM. The
7 commissioner of higher education or the commissioner's designee
8 shall provide to board employees information and training on the
9 benefits and methods of participation in the state employee
10 incentive program.

11 SECTION 8. Section 61.029, Education Code, is amended to
12 read as follows:

13 Sec. 61.029. INTERNAL AUDITOR. (a) The board
14 ~~[commissioner of higher education]~~ shall appoint an internal
15 auditor for the board. ~~[The appointment of an internal auditor must~~
16 ~~be approved by the board.]~~

17 (b) The internal auditor shall report directly to the board
18 on all matters, other than administrative matters, that require the
19 decision of the commissioner of higher education. ~~[The board by~~
20 ~~rule may require the internal auditor to submit certain reports~~
21 ~~directly to the board.]~~

22 (c) The commissioner shall advise the board regarding:

23 (1) the termination or discipline of the internal
24 auditor; and

25 (2) the transfer or reclassification of, or other
26 changes in, the powers or duties of the internal auditor. ~~[A~~
27 ~~committee of the board whose primary function is to oversee the~~

1 ~~administration of the board shall meet with the internal auditor at~~
2 ~~least as frequently as quarterly.]~~

3 (d) The internal auditor shall develop an annual audit plan,
4 conduct audits as specified in the audit plan, and fulfill the other
5 duties required by Chapter 2102, Government Code [~~auditor's duties~~
6 ~~include:~~

7 [~~(1) the review and appraisal of the accounting,~~
8 ~~financial, and operating activities of the board, including its~~
9 ~~internal information management; and~~

10 [~~(2) appraisal of the board's effectiveness in meeting~~
11 ~~its statutory duties]~~.

12 (e) The internal auditor shall review all audit reports with
13 the board and the commissioner.

14 SECTION 9. Section 61.031, Education Code, is amended to
15 read as follows:

16 Sec. 61.031. PUBLIC INTEREST INFORMATION AND COMPLAINTS.

17 (a) The board shall maintain a file on each written complaint
18 filed with the board. The file must include:

19 (1) the name of the person who filed the complaint;
20 (2) the date the complaint is received by the board;
21 (3) the subject matter of the complaint;
22 (4) the name of each person contacted in relation to
23 the complaint;

24 (5) a summary of the results of the review or
25 investigation of the complaint; and

26 (6) an explanation of the reason the file was closed,
27 if the board closed the file without taking action other than to

1 investigate the complaint [~~prepare information of public interest~~
2 ~~describing the functions of the board and the board's procedures by~~
3 ~~which complaints are filed with and resolved by the board. The~~
4 ~~board shall make the information available to the public and~~
5 ~~appropriate state agencies].~~

6 (b) The board shall provide to the person filing the
7 complaint and to each person who is a subject of the complaint a
8 copy of the board's policies and procedures relating to complaint
9 investigation and resolution [~~keep an information file about each~~
10 ~~complaint filed with the board that the board has authority to~~
11 ~~resolve].~~

12 (c) The [~~If a written complaint is filed with the board that~~
13 ~~the board has authority to resolve, the]~~ board, at least quarterly
14 [~~and~~] until final disposition of the complaint, shall notify the
15 person filing [~~parties to~~] the complaint and each person who is a
16 subject of the complaint of the status of the investigation
17 [~~complaint~~] unless the notice would jeopardize an undercover
18 investigation.

19 SECTION 10. Subchapter B, Chapter 61, Education Code, is
20 amended by adding Section 61.033 to read as follows:

21 Sec. 61.033. NEGOTIATED RULEMAKING; ALTERNATIVE DISPUTE
22 RESOLUTION. (a) The board shall develop and implement a policy to
23 encourage the use of:

24 (1) negotiated rulemaking procedures under Chapter
25 2008, Government Code, for the adoption of board rules; and

26 (2) appropriate alternative dispute resolution
27 procedures under Chapter 2009, Government Code, to assist in the

1 resolution of internal and external disputes under the board's
2 jurisdiction.

3 (b) The board's procedures relating to alternative dispute
4 resolution must conform, to the extent possible, to any model
5 guidelines issued by the State Office of Administrative Hearings
6 for the use of alternative dispute resolution by state agencies.

7 (c) The board shall designate a trained person to:

8 (1) coordinate the implementation of the policy
9 adopted under Subsection (a);

10 (2) serve as a resource for any training needed to
11 implement the procedures for negotiated rulemaking or alternative
12 dispute resolution; and

13 (3) collect data concerning the effectiveness of those
14 procedures, as implemented by the board.

15 SECTION 11. Subchapter B, Chapter 61, Education Code, is
16 amended by adding Section 61.034 to read as follows:

17 Sec. 61.034. EFFECTIVE USE OF TECHNOLOGY. The board shall
18 develop and implement a policy that requires the commissioner of
19 higher education and the staff of the board to research and propose
20 appropriate technological solutions to improve the ability of the
21 agency to perform its mission. The technological solutions must
22 include measures to ensure that the public is able to easily find
23 information about the board through the Internet and that persons
24 who have a reason to use the board's services are able to use the
25 Internet to interact with the board and to access any services that
26 can be provided effectively through the Internet. The policy shall
27 also ensure that proposed technological solutions are

1 cost-effective and developed through the board's planning
2 processes.

3 SECTION 12. Section 61.051, Education Code, is amended by
4 amending Subsections (a), (j), and (m) and adding Subsections
5 (a-1), (a-2), and (a-3) to read as follows:

6 (a) The board shall represent the highest authority in the
7 state in matters of public higher education and is charged with the
8 duty to take an active part in promoting quality education in the
9 various regions of the state. The board shall be responsible for
10 assuring that there is no discrimination in the distribution of
11 programs and resources throughout the state on the basis of race,
12 national origin, or sex.

13 (a-1) The board shall develop a five-year master plan for
14 higher education in this state ~~[and update the plan annually]~~. The
15 five-year plan shall take into account the resources of private
16 institutions of higher education in this state.

17 (a-2) The board shall periodically review and revise the
18 five-year master plan developed under Subsection (a-1). As a
19 specific element of its review, the board shall identify and
20 analyze the degree to which the plan reflects the continuing higher
21 education needs of this state, as well as any policy changes
22 necessary to improve overall implementation of the plan and the
23 fiscal impact of those changes. The board shall establish
24 procedures for monitoring the board's implementation of the plan,
25 including an analysis of the degree to which its current activities
26 support implementation of the plan and any change in board rules or
27 practices necessary to improve implementation of the plan. The

board shall identify additional strategies necessary to achieve the goals of the plan, emphasizing implementation by institutions of higher education and specific recommendations for the different regions of the state. The board shall notify each institution of higher education of all strategies for implementing the plan.

(a-3) The board shall~~+~~
~~[(1)]~~ inform the legislature on matters pertaining to higher education, including the state's activities in the Board of Control for Southern Regional Education,~~+~~ and shall

~~[(2)]~~ report to the legislature not later than ~~[in]~~ January 1 of each odd-numbered year on the state of higher education in Texas. In the biennial report, the board shall assess the state's progress in meeting the goals stated in the plan developed under Subsection (a-1) and shall recommend legislative action to assist the state in meeting those goals. The report must include the analyses performed in connection with the board's periodic review under Subsection (a-2).

(j) No off-campus courses for credit may be offered by any public technical institute, public community college, or public college or university without specific prior approval of the board. However, any of those institutions may offer a distance learning course approved by the board with no in-state geographic restrictions if the course is within the approved curriculum of the institution. To facilitate the delivery of courses by distance learning and to improve access to those courses, the board shall encourage collaborative efforts to make the benefits of computer access to educational opportunities widely available. The board

1 shall maintain a central informational resource accessible to the
2 general public that provides~~[, to be called the Texas Colleges~~
3 ~~On-Line, on which institutions can place]~~ information relating to
4 ~~[all computer-accessible]~~ distance learning courses and programs
5 offered for credit by institutions of higher education and
6 information including computer links, addresses, or other
7 directions to assist an interested person to obtain additional
8 information directly from the appropriate institution. The board
9 may not prohibit a public junior college district from offering a
10 course for credit outside the boundaries of the junior college
11 district when such course has met the requirements for approval as
12 adopted by the board. The board shall establish regulations for the
13 coordination of credit activities of adult and continuing education
14 by public technical institutes, public community colleges, or
15 public colleges and universities.

16 (m) The board shall publish and distribute materials on
17 admission policies, transferable courses among institutions,
18 financial assistance programs, and other matters of interest to
19 persons choosing an institution in which to enroll. It is the
20 intent of the legislature that materials distributed under this
21 subsection be designed to promote and encourage students to
22 complete high school coursework and aspire to their highest
23 potential by obtaining a degree or certificate from an institution
24 of higher education.

25 SECTION 13. Section 61.059, Education Code, is amended by
26 amending Subsections (a) and (i) and adding Subsection (i-1) to
27 read as follows:

1 (a) To finance a system of higher education and to secure an
2 equitable distribution of state funds deemed to be available for
3 higher education, the board shall perform the functions described
4 in this section. Funding policies shall:

5 (1) allocate resources efficiently and provide
6 incentives for programs of superior quality and for institutional
7 diversity;

8 (2) provide incentives for supporting the five-year
9 master plan developed and revised under Section 61.051; and

10 (3) discourage [~~while—discouraging~~] unnecessary
11 duplication of course offerings between institutions and [~~as well~~
12 ~~as discouraging~~] unnecessary construction on any campus.

13 (i) The board shall make continuing studies on its own
14 initiative, on [~~or—upon~~] the request of the governor or the
15 Legislative Budget Board, and as otherwise provided by Subsection
16 (i-1) of the financial needs of public higher education and all
17 services and activities of the institutions of higher education and
18 issue reports to the governor and the Legislative Budget Board that
19 result from its studies.

20 (i-1) Not later than January 1 of each odd-numbered year,
21 the board shall make and submit to the legislature findings and
22 recommendations regarding the degree to which the current higher
23 education funding system, including formula funding and any other
24 transfers of legislative appropriations to institutions of higher
25 education, supports the implementation of the five-year master plan
26 developed and revised under Section 61.051. The board may include
27 its findings and recommendations in the biennial report submitted

1 to the legislature under Section 61.051. In its findings, the board
2 must:

3 (1) identify funding incentives that would encourage
4 implementation of the five-year master plan by institutions of
5 higher education; and

6 (2) assess the accountability of institutions of
7 higher education with respect to legislative appropriations to
8 evaluate institutional allocation of financial resources in
9 accordance with the five-year master plan.

10 SECTION 14. Subsection (a), Section 61.065, Education Code,
11 is amended to read as follows:

12 (a) The comptroller of public accounts and the board jointly
13 shall prescribe and periodically update a uniform system of
14 financial accounting and reporting for institutions of higher
15 education, including definitions of the elements of cost on the
16 basis of which appropriations shall be made and financial records
17 shall be maintained. The board may require institutions to report
18 additional financial information as the board considers necessary.

19 In order that the uniform system of financial accounting and
20 reporting shall provide for maximum consistency with the national
21 reporting system for higher education, the uniform system shall
22 incorporate insofar as possible the provisions of the financial
23 accounting and reporting manual published by the National
24 Association of College and University Business Officers. The
25 accounts of the institutions shall be maintained and audited in
26 accordance with the approved reporting system.

27 SECTION 15. Section 61.066, Education Code, is amended by

1 adding Subsection (c) to read as follows:

2 (c) The board shall conduct a study and make findings and
3 recommendations regarding methods for reducing administrative
4 burdens and increasing participation in student financial aid
5 programs to maximize the value of those programs to the state. In
6 conducting the study, the board shall seek input from financial aid
7 officers and student groups at institutions of higher education.
8 Not later than November 1, 2004, the board shall report to the
9 standing committee of each house of the legislature with primary
10 jurisdiction over higher education the board's findings and
11 recommendations for legislative action necessary to consolidate,
12 expand, or otherwise modify existing student financial aid
13 programs. This subsection expires January 1, 2005.

14 SECTION 16. Section 61.076, Education Code, is amended to
15 read as follows:

16 Sec. 61.076. COOPERATION BETWEEN STATE AGENCIES OF
17 EDUCATION. (a) It is the policy of the State of Texas that the
18 entire system of education supported with public funds be
19 coordinated to provide the citizens with efficient, effective, and
20 high quality educational services and activities. The board and
21 the State Board of Education, in conjunction with such other
22 agencies as may be appropriate, shall ensure that long-range plans
23 and educational programs established by the boards complement the
24 functioning of the entire system of public education, extending
25 from early childhood education through postgraduate study. In
26 assuring that plans and programs are coordinated, the boards shall
27 use the P-16 Council [~~Joint Advisory Committee~~] established under

1 Section 61.077 [~~of this code~~].

2 (b) The P-16 Council [~~Joint Advisory Committee~~] shall
3 coordinate plans and programs of the two boards, including
4 curricula, instructional programs, research, and other functions
5 as appropriate. This coordination shall include the following
6 areas:

7 (1) equal educational opportunity for all Texans;

8 (2) college recruitment, with special emphasis on the
9 recruitment of minority students;

10 (3) preparation of high school students for further
11 study at colleges and universities;

12 (4) reduction of the dropout rate and dropout
13 prevention;

14 (5) teacher education, recruitment, and retention;
15 [~~and~~]

16 (6) testing and assessment; and

17 (7) adult education programs.

18 SECTION 17. Section 61.077, Education Code, is amended to
19 read as follows:

20 Sec. 61.077. P-16 COUNCIL [~~JOINT ADVISORY COMMITTEE~~]. (a)
21 The P-16 Council [~~A joint advisory committee~~] shall advise the
22 Texas Higher Education Coordinating Board and the State Board of
23 Education in coordinating postsecondary career and technology
24 activities, career and technology teacher education programs
25 offered or proposed to be offered in the colleges and universities
26 of this state, and other relevant matters, including those listed
27 in Section 61.076 [~~of this code~~].

1 (b) The council is ~~[committee shall be]~~ composed of the
 2 commissioner of education, the commissioner of higher education,
 3 the executive director of the Texas Workforce Commission, and the
 4 executive director of the State Board for Educator Certification
 5 ~~[three members from the State Board of Education, appointed by the~~
 6 ~~chairman of the board and three members from the Texas Higher~~
 7 ~~Education Coordinating Board, appointed by the chairman of the~~
 8 ~~board, one member designated by the presiding officer of the~~
 9 ~~Council on Workforce and Economic Competitiveness, and one member~~
 10 ~~representing business designated by the chair of the Texas~~
 11 ~~Partnership for Economic Development]~~. Existing members of the
 12 council may appoint additional members as the members consider
 13 necessary. The position of presiding officer rotates among the
 14 members of the council in the order the members are listed in this
 15 subsection, with each member serving as the presiding officer for
 16 one two-year term ~~[A member of the board shall be designated as~~
 17 ~~chairman of the joint advisory committee by the chairman of the~~
 18 ~~board]~~.

19 (c) The council shall meet at least once each calendar
 20 quarter and may hold other meetings as necessary at the call of the
 21 presiding officer ~~[committee shall hold regular annual meetings as~~
 22 ~~called by the chairman]~~. Each member of the council or the member's
 23 designee shall make a report of the council's activities at least
 24 twice annually to the governing body of the member's agency or, in
 25 the case of the commissioner of education, to the State Board of
 26 Education.

27 (d) [(b)] The purposes of this council ~~[committee]~~ shall

1 include the following:

2 (1) to advise the two boards on the coordination of
3 postsecondary career and technology education and the articulation
4 between postsecondary career and technology education and
5 secondary career and technology education;

6 (2) to facilitate the transfer of responsibilities for
7 the administration of postsecondary career and technology
8 education from the State Board of Education to the board in
9 accordance with Section 111(a)(I) of the Carl D. Perkins Vocational
10 Education Act, Public Law 98-524;

11 (3) to advise the State Board of Education, when it
12 acts as the State Board for Career and Technology Education, on the
13 following:

14 (A) the transfer of federal funds to the board
15 for allotment to eligible public postsecondary institutions of
16 higher education;

17 (B) the career and technology education funding
18 for projects and institutions as determined by the board when the
19 State Board for Career and Technology Education is required by
20 federal law to endorse such determinations;

21 (C) the development and updating of the state
22 plan for career and technology education and the evaluation of
23 programs, services, and activities of postsecondary career and
24 technology education and such amendments to the state plan for
25 career and technology education as may relate to postsecondary
26 education;

27 (D) other matters related to postsecondary

1 career and technology education; and

2 (E) the coordination of curricula, instructional
3 programs, research, and other functions as appropriate, including
4 areas listed in Section 61.076 [~~of this code~~], school-to-work and
5 school-to-college transition programs, and professional
6 development activities; [~~and~~]

7 (4) to advise the Council on Workforce and Economic
8 Competitiveness on educational policy issues related to workforce
9 preparation; and

10 (5) to examine and make recommendations regarding the
11 alignment of secondary and postsecondary education:

12 (A) curricula; and

13 (B) testing and assessment.

14 (e) Subsection (d)(5) does not require the council to
15 establish curriculum or testing or assessment standards.

16 SECTION 18. Subsection (a), Section 61.0771, Education
17 Code, is amended to read as follows:

18 (a) The board, in cooperation with institutions of higher
19 education, shall develop a master plan for the development of
20 distance learning and other applications of instructional
21 electronic technology by institutions of higher education and as
22 necessary may revise the plan. The plan shall include
23 recommendations for:

24 (1) the coordination and integration of distance
25 learning and related telecommunications activities among
26 institutions of higher education and other public or private
27 entities to achieve optimum efficiency and effectiveness in

1 providing necessary services, including identification of the
2 costs and any cost savings to be achieved by the use of distance
3 learning and related activities such as teleconferencing or sharing
4 resources by telecommunications;

5 (2) the development and acquisition of distance
6 learning infrastructure and equipment, including its functions and
7 capabilities, within and among institutions of higher education
8 consistent with the missions of those institutions and the
9 recipients of their services;

10 (3) the establishment of uniform or compatible
11 standards and technologies for distance learning;

12 (4) the training of faculty and staff in the use and
13 operation of distance learning facilities;

14 (5) appropriate applications of distance learning,
15 including the identification of the needs of the student
16 populations to be served;

17 (6) policies relating to the funding for
18 implementation and administering of distance learning, including
19 interinstitutional funds transfers among institutions providing
20 and receiving distance learning services and formula funding
21 allocations, and recommendations for the appropriate fees for
22 services offered through distance learning;

23 (7) revising regulatory policy relating to public
24 utilities to facilitate distance learning; and

25 (8) any statutory or regulatory changes desirable to
26 promote distance learning or to implement the master plan.

27 SECTION 19. Subchapter C, Chapter 61, Education Code, is

1 amended by adding Section 61.0902 to read as follows:

2 Sec. 61.0902. PUBLICATION OF PERFORMANCE DATA OF GENERAL
3 ACADEMIC TEACHING INSTITUTIONS. (a) The board shall administer a
4 program to publish performance data provided to the board by
5 general academic teaching institutions under this section.

6 (b) Not later than the next November 1 following the
7 completion of an academic year, each general academic teaching
8 institution shall provide to the board one or more reports
9 containing data related to:

10 (1) the qualifications of the entering freshman class
11 for the academic year covered by the report, including:

12 (A) the average Texas Academic Skills Program
13 Test scores of the class;

14 (B) the average scores of the class on each
15 generally recognized test or assessment used in college and
16 university undergraduate admissions, including the Scholastic
17 Assessment Test and the American College Test;

18 (C) the range of scores of the class from the 25th
19 to the 75th percentile on each generally recognized test or
20 assessment used in college and university undergraduate
21 admissions, including the Scholastic Assessment Test and the
22 American College Test;

23 (D) the overall grade point average of the class
24 for the academic year covered by the report;

25 (E) the number of students in the class who
26 graduated in the top 10 percent of the student's high school
27 graduating class; and

1 (F) enrollment percentages by ethnicity; and
2 (2) student performance and institution efficiency,
3 including:

4 (A) the retention rate of full-time students
5 after the completion of one academic year at the institution;

6 (B) the percentage of full-time degree-seeking
7 undergraduate students who earn a baccalaureate degree before the
8 sixth anniversary of the date of the student's first enrollment at
9 the institution;

10 (C) the percentage of lower-division semester
11 credit hours taught by tenured or tenure-track faculty;

12 (D) the percentage of undergraduate classes with
13 fewer than 20 students;

14 (E) the percentage of undergraduate classes with
15 more than 50 students;

16 (F) the student-to-faculty ratio for
17 undergraduate students;

18 (G) the percentage of students receiving
19 financial aid;

20 (H) the average cost of tuition and fees for an
21 undergraduate student enrolled for 12 semester credit hours;

22 (I) the average cost of on-campus room and board
23 for an academic year, excluding summer sessions;

24 (J) the number of disciplines in which master's
25 degrees are offered;

26 (K) the number of disciplines in which doctoral
27 degrees are offered;

1 (L) a description of any departments, schools, or
2 certificate or degree programs of the institution that have a
3 statewide or national reputation for excellence; and

4 (M) statistics regarding job placement rates for
5 students awarded certificates or degrees by the institution.

6 (c) Each year the board shall publish and post in a grid
7 format on the board's Internet site the names of the general
8 academic teaching institutions, the performance data required by
9 Subsection (b) for the most recent academic year for which the data
10 is available, and any other information considered appropriate by
11 the board. The board shall use the classification system developed
12 by the Carnegie Foundation in publishing and posting the data and
13 other information.

14 (d) Each general academic teaching institution shall
15 provide a link on the institution's Internet home page to the
16 board's Internet site described by Subsection (c).

17 (e) A general academic teaching institution is not required
18 to report to the board the data required by Subsection (b) if the
19 data is available to the board from another source.

20 SECTION 20. Subsection (c), Section 61.093, Education Code,
21 is amended to read as follows:

22 (c) Money appropriated for payment of contracts under the
23 authority of Section [~~Sections~~] 61.092 [~~and 61.094 of this code~~]
24 shall be paid to [~~the~~] Baylor College of Medicine [~~and the Baylor~~
25 ~~College of Dentistry~~] as follows:

26 (1) 40 [~~24~~] percent of the yearly entitlement [~~of each~~
27 ~~college~~] shall be paid in two equal installments to be made on or

1 before the 25th day of September and October; and

2 (2) 60 [~~76~~] percent of the yearly entitlement [~~of each~~
3 ~~college~~] shall be paid in six [~~eight~~] equal installments to be made
4 on or before the 25th day of November, December, January, February,
5 March, and April [~~, May, June, July, and August~~].

6 SECTION 21. Subsection (a), Section 61.532, Education Code,
7 is amended to read as follows:

8 (a) To be eligible to receive repayment assistance, a
9 physician must apply to the coordinating board and have completed
10 at least one year of medical practice:

11 (1) in private practice in an economically depressed
12 or rural medically underserved area of the state;

13 (2) for one of the following state agencies:

14 (A) Texas Department of Health;

15 (B) Texas Department of Mental Health and Mental
16 Retardation;

17 (C) Texas Department of Corrections; or

18 (D) Texas Youth Commission; or

19 (3) for an approved family practice residency training
20 program established under Subchapter I [~~of this chapter~~] as a[+]

21 [~~(A)~~] clinical faculty member and have completed
22 training in an approved family practice residency training program
23 on or after July 1, 1994[~~, or~~

24 [~~(B) resident~~].

25 SECTION 22. Subchapter J, Chapter 61, Education Code, is
26 amended by adding Section 61.540 to read as follows:

27 Sec. 61.540. SERVICE AGREEMENTS ENTERED INTO UNDER FORMER

1 LAW; SAVING PROVISION. (a) This section applies only to a person
2 who entered into a written agreement to perform service as a
3 physician in exchange for loan repayment assistance under this
4 subchapter before September 1, 2003.

5 (b) The agreement continues in effect and this subchapter,
6 as it existed when the person entered into the agreement, is
7 continued in effect for purposes of that agreement until the person
8 satisfies all the conditions of the agreement or repays all amounts
9 due under the agreement if the person does not satisfy the
10 conditions of the agreement.

11 SECTION 23. Subsection (b), Section 61.822, Education Code,
12 is amended to read as follows:

13 (b) Each institution of higher education shall adopt a core
14 curriculum of no less than 42 semester credit hours, including
15 specific courses comprising the curriculum. The core curriculum
16 shall be consistent with the common course numbering
17 ~~[course-numbering]~~ system approved by the board and with the
18 statement, recommendations, and rules issued by the board. An
19 institution may have a core curriculum of other than 42 semester
20 credit hours only if approved by the board.

21 SECTION 24. Section 61.830, Education Code, is amended to
22 read as follows:

23 Sec. 61.830. PUBLICATION OF GUIDELINES ADDRESSING TRANSFER
24 PRACTICES. In its course catalogs and on its website, each
25 institution of higher education shall publish guidelines
26 addressing the practices of the institution regarding the transfer
27 of course credit. In the guidelines, the institution must identify

1 a course by using the [~~any~~] common course numbering system approved
2 [~~adopted~~] by the board.

3 SECTION 25. Subchapter S, Chapter 61, Education Code, is
4 amended by adding Section 61.832 to read as follows:

5 Sec. 61.832. COMMON COURSE NUMBERING SYSTEM. (a) The
6 board shall approve a common course numbering system for
7 lower-division courses to facilitate the transfer of those courses
8 among institutions of higher education by promoting consistency in
9 course designation and identification.

10 (b) The board may approve only a common course numbering
11 system already in common use in this state by institutions of higher
12 education.

13 (c) The board shall cooperate with institutions of higher
14 education in any additional development or alteration of the common
15 course numbering system, including the taxonomy to be used, and in
16 the development of rules for the administration and applicability
17 of the system.

18 (d) An institution of higher education shall include in its
19 course listings the applicable course numbers from the common
20 course numbering system approved by the board under this section.
21 For good cause, the board may grant to an institution of higher
22 education an exemption from the requirements of this subsection.

23 SECTION 26. Sections 61.873 and 61.876, Education Code, as
24 added by Chapter 833, Acts of the 76th Legislature, Regular
25 Session, 1999, are amended to read as follows:

26 Sec. 61.873. ELIGIBILITY FOR ASSISTANCE. To be eligible to
27 receive loan repayment assistance under this subchapter, a person

1 must:

2 (1) hold an associate, baccalaureate, or graduate
3 degree in early childhood development or the equivalent from a
4 public or private institution of higher education accredited by a
5 recognized accrediting agency; and

6 (2) have served for at least one year ~~[enter into an~~
7 ~~agreement to serve]~~ as, and be currently serving as, an early
8 childhood child-care worker ~~[as provided by Section 61.875]~~.

9 Sec. 61.876. AMOUNT OF REPAYMENT ASSISTANCE; LIMITATIONS.

10 (a) For each year that a qualified person serves as an early
11 childhood child-care worker in this state ~~[under an agreement under~~
12 ~~Section 61.875]~~, the person may receive loan repayment assistance
13 in an amount not to exceed 15 percent of the total amount of the
14 person's outstanding student loans, including scheduled interest
15 payments that would become due if the loan is not prepaid, as of the
16 date ~~[when]~~ the person begins to receive repayment assistance under
17 this subchapter ~~[enters into the agreement]~~.

18 (b) The amount of repayment assistance paid for a year may
19 not exceed the lesser of:

20 (1) the actual amount of the loan payments the person
21 receiving the assistance is required to make for that year; or

22 (2) an amount set by the board equal to the maximum
23 amount of resident tuition and required fees paid by a person
24 enrolled as a full-time student at a general academic teaching
25 institution for the most recent academic year, excluding summer
26 sessions.

27 (c) ~~[(b) The board may enter into an agreement to provide~~

1 ~~loan repayment assistance under Section 61.875 only to the extent~~
 2 ~~money in the trust fund established by Section 61.878 or money~~
 3 ~~appropriated to the trust fund for future deposit to the trust fund~~
 4 ~~will be sufficient to provide the repayment assistance as it~~
 5 ~~becomes payable.]~~ If [that] money will not be sufficient to provide
 6 repayment assistance to each eligible applicant, the board shall
 7 select persons to receive repayment assistance from the eligible
 8 applicants according to financial need or on another basis the
 9 board considers reasonable to further the purposes of this
 10 subchapter.

11 (d) ~~[(c)]~~ The board may determine the manner in which the
 12 loan repayment assistance is to be paid ~~[and shall include~~
 13 ~~provisions governing the manner of repayment in the agreement]~~.
 14 The board may provide for the payment of a portion of the repayment
 15 assistance in one or more installments before the person completes
 16 a full year of service as an early childhood child-care worker and
 17 for the payment of the remainder of the repayment assistance for
 18 that year after the completion of the full year of service.

19 SECTION 27. Subchapter T, Chapter 61, Education Code, as
 20 added by Chapter 833, Acts of the 76th Legislature, Regular
 21 Session, 1999, is amended by adding Section 61.879 to read as
 22 follows:

23 Sec. 61.879. SERVICE AGREEMENTS ENTERED INTO UNDER FORMER
 24 LAW; SAVING PROVISION. (a) This section applies only to a person
 25 who was awarded loan repayment assistance under this subchapter and
 26 entered into a written agreement to perform service as an early
 27 childhood child-care worker in exchange for that assistance under

1 this subchapter before September 1, 2003.

2 (b) The agreement continues in effect and this subchapter,
3 as it existed when the person entered into the agreement, is
4 continued in effect for purposes of that agreement until the person
5 satisfies all the conditions of the agreement or repays all amounts
6 due under the agreement if the person does not satisfy the
7 conditions of the agreement.

8 SECTION 28. Sections 61.952 and 61.954, Education Code, as
9 added by Chapter 1403, Acts of the 77th Legislature, Regular
10 Session, 2001, are amended to read as follows:

11 Sec. 61.952. ELIGIBILITY. To be eligible to receive
12 repayment assistance, an attorney must:

13 (1) apply to the board; and

14 (2) have been ~~[be]~~ employed for at least one year by,
15 and be currently employed by, ~~[or have been offered employment~~
16 ~~with]~~ the office of the attorney general at the time the attorney
17 applies for the assistance~~[, and~~

18 ~~[(3) enter into an agreement to serve as an attorney~~
19 ~~with the office of the attorney general as provided by Section~~
20 ~~61.953].~~

21 Sec. 61.954. MAXIMUM AMOUNT OF REPAYMENT ASSISTANCE
22 ~~[LIMITATIONS]~~. (a) For each year that an attorney serves as an
23 attorney with the office of the attorney general ~~[under an~~
24 ~~agreement under Section 61.953]~~, the attorney may receive repayment
25 assistance under this subchapter in an amount not to exceed \$6,000.

26 (b) An attorney may not receive repayment assistance under
27 this subchapter for more than three years.

1 SECTION 29. Subchapter X, Chapter 61, Education Code, as
2 added by Chapter 148, Acts of the 77th Legislature, Regular
3 Session, 2001, is amended by adding Section 61.955 to read as
4 follows:

5 Sec. 61.955. SALE OF PROMOTIONAL ITEMS AND MEDIA AND
6 TRAINING MATERIALS. (a) The board may sell or contract for the sale
7 of promotional items, including clothing, posters, and banners,
8 designed to promote the public awareness campaign. The board may
9 use its Internet website to advertise and sell the items.

10 (b) The board may sell, contract for the sale of, or
11 otherwise transfer the board's rights in media and training
12 materials developed for the public awareness campaign.

13 (c) Money received under this section shall be deposited to
14 the credit of the general revenue fund and used only by the board to
15 further the purposes of the campaign.

16 SECTION 30. Sections 142.005 and 142.006, Education Code,
17 are amended to read as follows:

18 Sec. 142.005. PROGRESS REPORTS. An institution receiving
19 funds under this chapter shall report on the progress of the funded
20 research to the coordinating board not later than the date
21 specified by the coordinating board [~~September 1 of~~] each year.

22 Sec. 142.006. MERIT REVIEW. The coordinating board shall
23 appoint a committee that consists of experts in the specified
24 research areas to evaluate the program's effectiveness and report
25 its findings to the coordinating board not later than January 31
26 [~~September 1~~] of each odd-numbered [~~the second~~] year [~~of each~~
27 ~~biennium~~].

1 SECTION 31. Chapter 142, Education Code, is amended by
2 adding Section 142.007 to read as follows:

3 Sec. 142.007. CONFIDENTIALITY. Information submitted as
4 part of a pre-proposal or proposal or related to the evaluation and
5 selection of research projects to be funded by the program is
6 confidential unless made public by coordinating board rule.

7 SECTION 32. Sections 143.006 and 143.007, Education Code,
8 are amended to read as follows:

9 Sec. 143.006. PROGRESS REPORTS. An institution receiving
10 funds under this chapter shall report on the progress of the funded
11 research to the coordinating board not later than the date
12 specified by the coordinating board [~~September 1 of~~] each year.

13 Sec. 143.007. MERIT REVIEW. The coordinating board shall
14 appoint a committee consisting of representatives of higher
15 education and private enterprise advanced technology research
16 organizations to evaluate the technology program's effectiveness
17 and report its findings to the coordinating board not later than
18 January 31 [~~September 1~~] of each odd-numbered [~~the second~~] year [~~of~~
19 ~~each biennium~~].

20 SECTION 33. Chapter 143, Education Code, is amended by
21 adding Section 143.008 to read as follows:

22 Sec. 143.008. CONFIDENTIALITY. Information submitted as
23 part of a pre-proposal or proposal or related to the evaluation and
24 selection of research projects to be funded by the technology
25 program is confidential unless made public by coordinating board
26 rule.

27 SECTION 34. Section 7.005, Education Code, is amended to

1 read as follows:

2 Sec. 7.005. COOPERATION BETWEEN STATE AGENCIES OF
3 EDUCATION. The State Board of Education and the Texas Higher
4 Education Coordinating Board, in conjunction with other
5 appropriate agencies, shall ensure that long-range plans and
6 educational programs established by each board provide a
7 comprehensive education for the students of this state under the
8 jurisdiction of that board, extending from early childhood
9 education through postgraduate study. In assuring that programs
10 are coordinated, the boards shall use the P-16 Council [~~joint~~
11 ~~advisory committee~~] established under Section 61.077.

12 SECTION 35. Section 52.34, Education Code, is amended to
13 read as follows:

14 Sec. 52.34. PAYMENTS TO STUDENT. (a) No payment may be
15 made to any student until the student [~~he~~] has executed a note
16 payable to the Texas Opportunity Plan Fund for the full amount of
17 the authorized loan plus interest.

18 (b) For the purposes of this chapter, a student has the
19 capacity to contract and is bound by any contract executed by the
20 student [~~him~~], and the defense that the student [~~he~~] was a minor at
21 the time the student [~~he~~] executed the note is not available to the
22 student [~~him~~] in any action arising on the note.

23 (c) Payments to students executing notes may be made
24 annually, semiannually, quarterly, monthly, or for each semester as
25 the board may determine, depending on the demonstrated capacity of
26 the student to manage the student's [~~his~~] financial affairs.

27 (d) Disbursements may be made by the board or by the

participating institution pursuant to a contract between the board and the institution executed in conformity with this chapter.

(e) Money ~~[No funds]~~ may be distributed to a participating institution only ~~[except]~~ to make payments to a student under a loan authorized by this chapter.

(f) The board shall distribute money to a participating institution through the electronic funds transfer system maintained by the Texas Guaranteed Student Loan Corporation for disbursing loan funds from commercial lenders participating in the guaranteed student loan program under Chapter 57, except that at the request of a participating institution the board may distribute the money through other means. The board shall enter into a contract with the corporation for the use of the system, and the corporation shall make the system available to the board as necessary to carry out this subsection.

SECTION 36. Subchapter C, Chapter 52, Education Code, is amended by adding Section 52.41 to read as follows:

Sec. 52.41. RESTRICTION ON ISSUANCE OF CERTAIN FEDERALLY INSURED STUDENT LOANS. (a) Except as provided by Subsection (c), the board may issue a student loan under the Federal Family Education Loan Program (20 U.S.C. Section 1071 et seq.), as amended, only to a borrower who has been or will be issued a student loan under another student loan program administered by the board.

(b) The board may service any outstanding student loans issued by the board under the Federal Family Education Loan Program.

(c) The board may issue student loans under the Federal

1 Family Education Loan Program to borrowers other than borrowers
2 described by Subsection (a) if the commissioner of higher education
3 determines that market conditions warrant the issuance of those
4 loans.

5 SECTION 37. The heading to Subchapter O, Chapter 56,
6 Education Code, as added by Chapter 1261, Acts of the 77th
7 Legislature, Regular Session, 2001, is amended to read as follows:

8 SUBCHAPTER O. TEACH FOR TEXAS

9 LOAN REPAYMENT [~~FINANCIAL~~] ASSISTANCE PROGRAM

10 SECTION 38. Subchapter O, Chapter 56, Education Code, as
11 added by Chapter 1261, Acts of the 77th Legislature, Regular
12 Session, 2001, is amended by amending Sections 56.351 through
13 56.355 and adding Sections 56.3575 and 56.359 to read as follows:

14 Sec. 56.351. DEFINITION [~~DEFINITIONS~~]. In this subchapter,
15 "coordinating"[~~+~~

16 [~~(1) "Coordinating~~] board" means the Texas Higher
17 Education Coordinating Board.

18 [~~(2) "Eligible institution of higher education"~~
19 ~~means:~~

20 [~~(A) an institution of higher education, or~~
21 [~~(B) a private or independent institution of~~
22 ~~higher education as defined by Section 61.003.~~]

23 Sec. 56.352. PURPOSE OF PROGRAM; LOAN REPAYMENT AUTHORIZED.
24 (a) The purpose of this subchapter is to attract to the teaching
25 profession persons who have expressed interest in teaching and to
26 support the employment [~~certification~~] of those persons as
27 classroom teachers by providing student loan repayment assistance

1 for service [~~a grant on the condition that the recipient serve~~] as a
2 classroom teacher in the public schools of this state [~~for a~~
3 ~~specified period~~].

4 (b) The coordinating board shall provide, in accordance
5 with this subchapter and board rules, assistance in the repayment
6 of eligible student loans for persons who apply and qualify for the
7 assistance.

8 Sec. 56.353. ELIGIBILITY [~~FOR GRANT; TEACHING AGREEMENT~~].

9 (a) [A] Teach for Texas repayment assistance [~~grant~~] is available
10 only to a person who applies for the assistance [~~a grant~~] and who:

11 (1) is certified [~~seeking educator certification;~~
12 [~~(2) is enrolled in an eligible institution of higher~~
13 ~~education in this state.~~

14 [~~(A) as a junior or senior in a baccalaureate~~
15 ~~degree program; or~~

16 [~~(B) in the person's first academic year in an~~
17 ~~educator certification program after receiving a baccalaureate~~
18 ~~degree;~~

19 [~~(3) makes satisfactory progress toward completion of~~
20 ~~the person's educator certification program; and~~

21 [~~(4) satisfies one of the following:~~

22 [~~(A) the person is seeking educator~~
23 ~~certification~~] in a teaching field identified [~~certified~~] by the
24 commissioner of education as experiencing a critical shortage of
25 teachers in this state in the year in which the person receives the
26 assistance [~~grant~~] and has for at least one year taught full-time
27 at, and is currently teaching [~~agrees to teach~~] full-time [~~for five~~

1 ~~years~~] at, the preschool, primary, or secondary level in a public
 2 school in this state in that teaching field; or

3 (2) is a certified educator who has for at least one
 4 year taught full-time at, and is currently teaching [~~(B) the person~~
 5 ~~agrees to teach~~] full-time [~~for five years~~] at, the preschool,
 6 primary, or secondary level in a public school in this state in a
 7 community identified [~~, which is not required to be specifically~~
 8 ~~designated at the time the person receives the grant, certified~~] by
 9 the commissioner of education as experiencing a critical shortage
 10 of teachers in the [~~any~~] year in which the person receives the
 11 assistance [~~a grant under this subchapter or in any subsequent year~~
 12 ~~in which the person fulfills the teaching obligation~~].

13 (b) The coordinating board in awarding repayment assistance
 14 [~~Teach for Texas grants~~] shall give priority to applicants who
 15 demonstrate financial need.

16 (c) [~~If the money available for grants in a period for which~~
 17 ~~grants are awarded exceeds the amount needed to provide grants to~~
 18 ~~all eligible applicants described by Subsection (b), the~~
 19 ~~coordinating board shall award grants from the remaining money to~~
 20 ~~additional eligible applicants. The coordinating board shall~~
 21 ~~prescribe by rule the eligibility requirements for these applicants~~
 22 ~~based on the factors that the coordinating board considers~~
 23 ~~appropriate to further the purposes of this subchapter.~~

24 [~~(d)~~] If the money available for loan repayment assistance
 25 [~~grants~~] in a period for which assistance is [~~grants are~~] awarded is
 26 insufficient to provide assistance [~~grants~~] to all eligible
 27 applicants described by Subsection (b), the coordinating board

1 shall establish priorities for awarding repayment assistance to
2 address the most critical teacher shortages described by Subsection
3 (a) [give the highest priority to applicants who demonstrate the
4 greatest financial need].

5 (d) [~~(e)~~] A person may not receive loan repayment
6 assistance [~~a Teach for Texas tuition grant~~] for more than five
7 [~~three academic~~] years [~~or the equivalent~~].

8 [~~(f) A person is not eligible to receive a Teach for Texas~~
9 ~~grant if the person has been convicted of a felony or an offense~~
10 ~~under Chapter 481, Health and Safety Code (Texas Controlled~~
11 ~~Substances Act), or under the law of another jurisdiction involving~~
12 ~~a controlled substance, as defined by Chapter 481, Health and~~
13 ~~Safety Code, unless the person has met the other applicable~~
14 ~~eligibility requirements under this subchapter and has:~~

15 [~~(1) received a certificate of discharge by the Texas~~
16 ~~Department of Criminal Justice or a correctional facility or~~
17 ~~completed a period of probation ordered by a court, and at least two~~
18 ~~years have elapsed from the date of the receipt or completion, or~~

19 [~~(2) been pardoned, had the record of the offense~~
20 ~~expunged from the person's record, or otherwise has been released~~
21 ~~from the resulting ineligibility to receive a grant under this~~
22 ~~subchapter.~~

23 [~~(g) For the purpose of this section, a person makes~~
24 ~~satisfactory academic progress toward completion of an educator~~
25 ~~certification program if the person:~~

26 [~~(1) completes at least 75 percent of the semester~~
27 ~~credit hours attempted in the student's most recent academic year,~~

and

~~[(2) earns an overall grade point average of at least 2.5 on a four-point scale or the equivalent on coursework previously attempted at institutions of higher education.]~~

Sec. 56.354. ELIGIBLE LOANS. (a) A person may receive Teach for Texas loan repayment assistance under this subchapter for the repayment of any student loan for education at any public or private institution of higher education through any lender. If the loan is not a state or federal guaranteed student loan, the note or other writing governing the terms of the loan must require the loan proceeds to be used for expenses incurred by a person to attend a public or private institution of higher education.

(b) The coordinating board may not provide loan repayment assistance for a student loan that is in default at the time of the person's application ~~[AMOUNT OF GRANT, PAYMENT OF GRANT. (a) The amount of a Teach for Texas grant is equal to four times the current amount of a TEXAS grant under Subchapter M for a student enrolled in a general academic teaching institution.~~

~~[(b) The coordinating board shall pay the amount of a Teach for Texas grant in installments, with a substantially equal amount paid in each semester or term based on the number of semesters in which a typical full-time student would complete the recipient's educator certification program. The coordinating board may adjust the amount of a grant for a semester or term, or award a supplemental grant, to ensure that a grant recipient who completes the educator certification program receives the total amount of the recipient's grant].~~

1 Sec. 56.355. PAYMENT OF ASSISTANCE. (a) The coordinating
2 board may determine the manner in which Teach for Texas loan
3 repayment assistance is to be paid. The coordinating board may
4 provide for the payment of a portion of the repayment assistance in
5 one or more installments before the person completes a full year of
6 service as a teacher and for the payment of the remainder of the
7 repayment assistance for that year after the completion of the full
8 year of service.

9 (b) Loan repayment assistance received under this
10 subchapter may be applied to the principal amount of the loan and to
11 interest that accrues ~~[ELIGIBILITY FOR TEXAS GRANT NOT AFFECTED. A~~
12 ~~person may receive both a TEXAS grant under Subchapter M and a Teach~~
13 ~~for Texas grant under this subchapter for the same semester or~~
14 ~~term].~~

15 Sec. 56.3575. ADMINISTRATION; RULES. (a) The
16 coordinating board shall adopt rules necessary for the
17 administration of this subchapter.

18 (b) The coordinating board shall distribute a copy of the
19 rules adopted under this section and pertinent information relating
20 to this subchapter to each public or private institution of higher
21 education in this state that offers an educator certification
22 program, including an alternative educator certification program
23 or another equivalent program.

24 Sec. 56.359. GRANTS AND SERVICE AGREEMENTS ENTERED INTO
25 UNDER FORMER LAW; SAVING PROVISION. (a) This section applies only
26 to a person who was awarded a Teach for Texas grant and entered into
27 a written agreement to perform service as a public school teacher in

1 this state in order to receive the grant under this subchapter
2 before September 1, 2003.

3 (b) A person to whom this section applies may receive any
4 unpaid installments of the grant as provided by the agreement and in
5 accordance with this subchapter as it existed when the grant was
6 awarded. The agreement continues in effect and this subchapter, as
7 it existed when the person entered into the agreement, is continued
8 in effect for purposes of that agreement until the person satisfies
9 all the conditions of the agreement or repays all amounts due under
10 the agreement if the person does not satisfy the conditions of the
11 agreement.

12 SECTION 39. Sections 61.0592, 61.0593, 61.070, and 61.071,
13 Education Code, are repealed.

14 SECTION 40. Subsection (e), Section 61.0771, Education
15 Code, is repealed.

16 SECTION 41. Sections 61.094 and 61.096, Education Code, are
17 repealed.

18 SECTION 42. Subchapter E, Chapter 61, Education Code, is
19 repealed.

20 SECTION 43. Subchapter Q, Chapter 61, Education Code, is
21 repealed.

22 SECTION 44. (a) Section 56.356, Education Code, as added by
23 Chapter 1261, Acts of the 77th Legislature, Regular Session, 2001,
24 is repealed.

25 (b) Section 61.875, Education Code, as added by Chapter 833,
26 Acts of the 76th Legislature, Regular Session, 1999, is repealed.

27 (c) Section 61.953, Education Code, as added by Chapter

1 1403, Acts of the 77th Legislature, Regular Session, 2001, is
2 repealed.

3 SECTION 45. (a) Of the six positions on the Texas Higher
4 Education Coordinating Board that have terms scheduled to expire on
5 August 31, 2003, three of the positions are abolished on September
6 1, 2003. On or before September 1, 2003, the governor shall
7 designate which three of the six positions shall be abolished. The
8 governor shall appoint persons to fill the other three positions
9 for terms expiring August 31, 2009.

10 (b) Of the six positions on the Texas Higher Education
11 Coordinating Board that have terms scheduled to expire on August
12 31, 2005, three of the positions are abolished on September 1, 2003.
13 On or before September 1, 2003, the members whose terms are
14 scheduled to expire on August 31, 2005, shall determine by
15 unanimous agreement or by lot which three of the six positions shall
16 be abolished and shall inform the presiding officer of the Texas
17 Higher Education Coordinating Board of that determination.

18 (c) Of the six positions on the Texas Higher Education
19 Coordinating Board that have terms scheduled to expire on August
20 31, 2007, three of the positions are abolished on September 1, 2003.
21 On or before September 1, 2003, the members whose terms are
22 scheduled to expire on August 31, 2007, shall determine by
23 unanimous agreement or by lot which three of the six positions shall
24 be abolished and shall inform the presiding officer of the Texas
25 Higher Education Coordinating Board of that determination.

26 SECTION 46. The changes in law made by this Act in the
27 prohibitions or qualifications applying to members of the Texas

1 Higher Education Coordinating Board do not affect the entitlement
2 of a member serving on the board immediately before the effective
3 date of this Act to continue to serve and function as a member of the
4 board for the remainder of the member's term. Those changes in law
5 apply only to a member appointed on or after the effective date of
6 this Act.

7 SECTION 47. On the effective date of this Act:

8 (1) the P-16 Council replaces the joint advisory
9 committee as the advisory board for the Texas Higher Education
10 Coordinating Board and the State Board of Education;

11 (2) all functions and activities performed by the
12 joint advisory committee are transferred to the P-16 Council to the
13 extent consistent with the functions and duties of the P-16 Council
14 provided by law; and

15 (3) a reference in law to the joint advisory committee
16 that relates to providing advisory functions to the Texas Higher
17 Education Coordinating Board and the State Board of Education means
18 the P-16 Council.

19 SECTION 48. (a) Each general academic teaching institution
20 shall provide the performance data as required by Section 61.0902,
21 Education Code, as added by this Act, beginning with the data for
22 the 2003-2004 academic year.

23 (b) Not later than March 1, 2005, the Texas Higher Education
24 Coordinating Board shall publish and post on the board's Internet
25 site the performance data provided by the general academic teaching
26 institutions in this state as required by Section 61.0902,
27 Education Code, as added by this Act.

1 SECTION 49. Not later than June 1, 2004, the Texas Higher
2 Education Coordinating Board shall:

3 (1) approve the common course numbering system
4 required by Section 61.832, Education Code, as added by this Act;
5 and

6 (2) establish a timetable for each public institution
7 of higher education to phase in the inclusion of the applicable
8 course numbers from the common course numbering system in its
9 individual course catalog system.

10 SECTION 50. (a) The Texas Higher Education Coordinating
11 Board shall enter into a contract with the Texas Guaranteed Student
12 Loan Corporation to use the corporation's electronic funds transfer
13 system, as required by Section 52.34, Education Code, as amended by
14 this Act, not later than January 1, 2004.

15 (b) Subsection (a), Section 52.41, Education Code, as added
16 by this Act, applies only to a student loan issued under the Federal
17 Family Education Loan Program (20 U.S.C. Section 1071 et seq.), as
18 amended, on or after the effective date of this Act.

19 SECTION 51. This Act takes effect September 1, 2003.