

1-1 By: Shapleigh S.B. No. 286
1-2 (In the Senate - Filed March 12, 2003; March 17, 2003, read
1-3 first time and referred to Committee on Government Organization;
1-4 April 8, 2003, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 6, Nays 0; April 8, 2003,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 286 By: Wentworth

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the continuation and functions of the Texas Higher
1-11 Education Coordinating Board.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 61.0211, Education Code, is amended to
1-14 read as follows:

1-15 Sec. 61.0211. SUNSET PROVISION. The Texas Higher Education
1-16 Coordinating Board is subject to Chapter 325, Government Code
1-17 (Texas Sunset Act). Unless continued in existence as provided by
1-18 that chapter, the board is abolished and this chapter expires
1-19 September 1, 2015 [2003].

1-20 SECTION 2. Section 61.022, Education Code, is amended to
1-21 read as follows:

1-22 Sec. 61.022. MEMBERS OF BOARD; APPOINTMENT; TERMS OF
1-23 OFFICE. (a) The board shall consist of 15 [18] members appointed
1-24 by the governor so as to provide representation from all areas of
1-25 the state with the advice and consent of the senate, and as the
1-26 constitution provides. Members of the board serve staggered
1-27 six-year terms. The terms of one-third of the members expire August
1-28 31 of each odd-numbered year [Of the initial appointments to the
1-29 board six shall be for terms which shall expire August 31, 1967, six
1-30 for terms which shall expire August 31, 1969, and six for terms
1-31 which shall expire on August 31, 1971, or at such time as their
1-32 successors are appointed and have qualified. Thereafter, the
1-33 governor shall appoint members for terms of six years. Members of
1-34 the Texas Commission on Higher Education are eligible for
1-35 appointment to the board].

1-36 (b) A board [No] member may not be employed professionally
1-37 for remuneration in the field of education during the member's
1-38 [his] term of office.

1-39 SECTION 3. Subsections (b) through (e), Section 61.0222,
1-40 Education Code, are amended to read as follows:

1-41 (b) A person may not be a member of the board and may not be a
1-42 board employee employed in a "bona fide executive, administrative,
1-43 or professional capacity," as that phrase is used for purposes of
1-44 establishing an exemption to the overtime provisions of the federal
1-45 Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.),
1-46 and its subsequent amendments, if:

1-47 (1) the person is an officer, employee, or paid
1-48 consultant of a Texas trade association in the field of higher
1-49 education; or

1-50 (2) the person's spouse is an officer, manager, or paid
1-51 consultant of a Texas trade association in the field of higher
1-52 education [An officer, employee, or paid consultant of a Texas
1-53 trade association in the field of higher education may not be a
1-54 member or employee of the board if the person is compensated at or
1-55 above the amount prescribed by the General Appropriations Act for
1-56 step 1, salary group 17, of the position classification salary
1-57 schedule].

1-58 (c) [A person who is the spouse of an officer, manager, or
1-59 paid consultant of a Texas trade association in the field of higher
1-60 education may not be a board member and may not be a board employee
1-61 who is compensated at or above the amount prescribed by the General
1-62 Appropriations Act for step 1, salary group 17, of the position
1-63 classification salary schedule.]

2-1 ~~[(d)]~~ A person may not be ~~[serve as]~~ a member of the board or
 2-2 act as the general counsel to the board if the person is required to
 2-3 register as a lobbyist under Chapter 305, Government Code, because
 2-4 of the person's activities for compensation on behalf of a
 2-5 profession related to the operation of the board.

2-6 (d) In ~~[(e) For the purposes of]~~ this section, "Texas trade
 2-7 association" means a ~~[Texas trade association is a nonprofit,~~
 2-8 cooperative~~[,]~~ and voluntarily joined statewide association of
 2-9 business or professional competitors in this state designed to
 2-10 assist its members and its industry or profession in dealing with
 2-11 mutual business or professional problems and in promoting their
 2-12 common interest.

2-13 SECTION 4. Subsections (a) and (c), Section 61.0223,
 2-14 Education Code, are amended to read as follows:

2-15 (a) It is a ground for removal from the board that ~~[if]~~ a
 2-16 member:

2-17 (1) does not have at the time of taking office
 2-18 [appointment] the qualifications required by Section 61.0222(a)
 2-19 [of this code];

2-20 (2) does not maintain during service on the board the
 2-21 qualifications required by Section 61.0222(a) [of this code];

2-22 (3) is ineligible for membership under ~~[violates a~~
 2-23 prohibition established by] Section 61.022 or 61.0222 [Section
 2-24 61.0222(b), (c), or (d) of this code];

2-25 (4) cannot, because of illness or disability,
 2-26 discharge the member's duties for a substantial part of the member's
 2-27 term ~~[for which the member is appointed because of illness or~~
 2-28 disability]; or

2-29 (5) is absent from more than half of the regularly
 2-30 scheduled board meetings that the member is eligible to attend
 2-31 during a calendar year without an excuse approved [unless the
 2-32 absence is excused] by a majority vote of the board.

2-33 (c) If the commissioner of higher education has knowledge
 2-34 that a potential ground for removal exists, the commissioner shall
 2-35 notify the presiding officer [chairman] of the board of the
 2-36 potential ground. The presiding officer [chairman] shall then
 2-37 notify the governor and the attorney general that a potential
 2-38 ground for removal exists. If the potential ground for removal
 2-39 involves the presiding officer, the commissioner shall notify the
 2-40 next highest ranking officer of the board, who shall then notify the
 2-41 governor and the attorney general that a potential ground for
 2-42 removal exists.

2-43 SECTION 5. Subchapter B, Chapter 61, Education Code, is
 2-44 amended by adding Section 61.0224 to read as follows:

2-45 Sec. 61.0224. TRAINING OF BOARD MEMBERS. (a) A person who
 2-46 is appointed to and qualifies for office as a member of the board
 2-47 may not vote, deliberate, or be counted as a member in attendance at
 2-48 a meeting of the board until the person completes a training program
 2-49 that complies with this section.

2-50 (b) The training program must provide the person with
 2-51 information regarding:

2-52 (1) the legislation that created the board;
 2-53 (2) the programs operated by the board;
 2-54 (3) the role and functions of the board;
 2-55 (4) the rules of the board, with an emphasis on the
 2-56 rules that relate to disciplinary and investigatory authority;

2-57 (5) the current budget for the board;
 2-58 (6) the results of the most recent formal audit of the
 2-59 board;

2-60 (7) the requirements of:
 2-61 (A) the open meetings law, Chapter 551,
 2-62 Government Code;
 2-63 (B) the public information law, Chapter 552,
 2-64 Government Code;
 2-65 (C) the administrative procedure law, Chapter
 2-66 2001, Government Code; and

2-67 (D) other laws relating to public officials,
 2-68 including conflict-of-interest laws; and
 2-69 (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;

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

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

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

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

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

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

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

(c) The commissioner shall advise the board regarding:

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

(2) the transfer or reclassification of, or other changes in, the powers or duties of the internal auditor. ~~[A committee of the board whose primary function is to oversee the administration of the board shall meet with the internal auditor at least as frequently as quarterly.]~~

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

~~[(1) the review and appraisal of the accounting,~~

~~financial, and operating activities of the board, including its internal information management, and~~
~~[(2) appraisal of the board's effectiveness in meeting its statutory duties].~~

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

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

Sec. 61.031. PUBLIC INTEREST INFORMATION AND COMPLAINTS.

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

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

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

(6) an explanation of the reason the file was closed, if the board closed the file without taking action other than to investigate the complaint ~~[prepare information of public interest describing the functions of the board and the board's procedures by which complaints are filed with and resolved by the board. The board shall make the information available to the public and appropriate state agencies].~~

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

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

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

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

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

(2) appropriate alternative dispute resolution procedures under Chapter 2009, Government Code, to assist in the resolution of internal and external disputes under the board's jurisdiction.

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

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

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

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

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

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

Sec. 61.034. EFFECTIVE USE OF TECHNOLOGY. The board shall develop and implement a policy that requires the commissioner of higher education and the staff of the board to research and propose appropriate technological solutions to improve the ability of the agency to perform its mission. The technological solutions must include measures to ensure that the public is able to easily find

information about the board through the Internet and that persons who have a reason to use the board's services are able to use the Internet to interact with the board and to access any services that can be provided effectively through the Internet. The policy shall also ensure that proposed technological solutions are cost effective and developed through the board's planning processes.

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

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

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

(a-2) 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 (i) 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 (i-1).

(i) The board shall develop ~~[and periodically revise]~~ a long-range statewide plan to provide information and guidance to policy makers to ensure that institutions of higher education meet the current and future needs of each region of this state for higher education services and that adequate higher education services at all levels are reasonably and equally available to the residents of each region of this state. The board in developing the plan shall examine existing undergraduate, graduate, professional, and research programs provided by institutions of higher education and identify the geographic areas of this state that, as a result of current population or projected population growth, distance from other educational resources, economic trends, or other factors, have or are reasonably likely to have in the future significantly greater need for higher education services than the services currently provided in the area by existing institutions of higher education. The board shall also consider the higher education services provided by private and independent institutions of higher education in developing the plan. The board shall identify as specifically as practicable the programs or fields of study for which an area has or is projected to have a significant unmet need for services. In determining the need for higher educational services in an area, the board shall consider the educational attainment of the current population and the extent to which residents from the area attend institutions of higher education outside of the area or do not attend institutions of higher education. The board shall include in the plan specific recommendations, including alternative recommendations, for administrative or legislative action to address an area's unmet need for higher educational services as efficiently as possible. Not later than November 1 of each even-numbered year, the board shall deliver to the governor, lieutenant governor, and legislature a report of the current long-range plan developed under this section.

(i-1) The board shall periodically review and revise the long-range statewide plan developed under Subsection (i). As a specific element of its review, the board shall identify and analyze the degree to which the plan reflects the continuing higher

education needs of each region of this state, as well as any policy changes necessary to improve overall implementation of the plan and the fiscal impact of those changes. The board shall establish procedures for monitoring the board's implementation of the plan, including an analysis of the degree to which its current activities support implementation of the plan and any change in board rules or 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.

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

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

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

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

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

(2) provide incentives for supporting the long-range statewide plan developed and revised under Section 61.051; and

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

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

(i-1) Not later than January 1 of each odd-numbered year,

the board shall make and submit to the legislature findings and recommendations regarding the degree to which the current higher education funding system, including formula funding and any other transfers of legislative appropriations to institutions of higher education, supports the implementation of the long-range statewide plan developed and revised under Section 61.051. The board may include its findings and recommendations in the biennial report submitted to the legislature under Section 61.051. In its findings, the board must:

- (1) identify funding incentives that would encourage implementation of the plan by institutions of higher education; and
- (2) assess the accountability of institutions of higher education with respect to legislative appropriations to evaluate institutional allocation of financial resources in accordance with the plan.

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

(a) The comptroller of public accounts and the board jointly shall prescribe and periodically update a uniform system of financial accounting and reporting for institutions of higher education, including definitions of the elements of cost on the basis of which appropriations shall be made and financial records shall be maintained. The board may require institutions to report additional financial information as the board considers necessary. In order that the uniform system of financial accounting and reporting shall provide for maximum consistency with the national reporting system for higher education, the uniform system shall incorporate insofar as possible the provisions of the financial accounting and reporting manual published by the National Association of College and University Business Officers. The accounts of the institutions shall be maintained and audited in accordance with the approved reporting system.

SECTION 15. Section 61.066, Education Code, is amended by adding Subsection (c) to read as follows:

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

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

Sec. 61.076. COOPERATION BETWEEN STATE AGENCIES OF EDUCATION. (a) It is the policy of the State of Texas that the entire system of education supported with public funds be coordinated to provide the citizens with efficient, effective, and high quality educational services and activities. The board and the State Board of Education, in conjunction with such other agencies as may be appropriate, shall ensure that long-range plans and educational programs established by the boards complement the functioning of the entire system of public education, extending from early childhood education through postgraduate study. In assuring that plans and programs are coordinated, the boards shall use the P-16 Council [~~Joint Advisory Committee~~] established under Section 61.077 [~~of this code~~].

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

- (1) equal educational opportunity for all Texans;
- (2) college recruitment, with special emphasis on the recruitment of minority students;

- (3) preparation of high school students for further study at colleges and universities;
- (4) reduction of the dropout rate and dropout prevention;
- (5) teacher education, recruitment, and retention; ~~[and]~~
- (6) testing and assessment; and
- (7) adult education programs.

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

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

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

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

(d) ~~[(b)]~~ The purposes of this council ~~[committee]~~ shall include the following:

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

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

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

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

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

(C) the development and updating of the state plan for career and technology education and the evaluation of programs, services, and activities of postsecondary career and technology education and such amendments to the state plan for

career and technology education as may relate to postsecondary education;

(D) other matters related to postsecondary career and technology education; and

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

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

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

(A) curricula; and

(B) testing and assessment.

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

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

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

(1) the coordination and integration of distance learning and related telecommunications activities among institutions of higher education and other public or private entities to achieve optimum efficiency and effectiveness in providing necessary services, including identification of the costs and any cost savings to be achieved by the use of distance learning and related activities such as teleconferencing or sharing resources by telecommunications;

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

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

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

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

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

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

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

SECTION 19. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.0902 to read as follows:

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

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

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

(A) the average Texas Academic Skills Program

Test scores of the class;

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

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

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

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

(F) enrollment percentages by ethnicity; and

(2) student performance and institution efficiency, including:

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

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

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

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

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

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

(G) the percentage of students receiving financial aid;

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

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

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

(K) the number of disciplines in which doctoral degrees are offered.

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

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

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

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

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

(1) 40 [~~24~~] percent of the yearly entitlement [~~of each college~~] shall be paid in two equal installments to be made on or before the 25th day of September and October; and

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

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

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

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

(2) for one of the following state agencies:

(A) Texas Department of Health;

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

(C) Texas Department of Corrections; or

(D) Texas Youth Commission; or

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

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

~~[(B) resident]~~.

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

Sec. 61.540. SERVICE AGREEMENTS ENTERED INTO UNDER FORMER LAW; SAVING PROVISION. (a) This section applies only to a person who entered into a written agreement to perform service as a physician in exchange for loan repayment assistance under this subchapter before September 1, 2003.

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

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

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

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

Sec. 61.830. PUBLICATION OF GUIDELINES ADDRESSING TRANSFER PRACTICES. In its course catalogs and on its website, each institution of higher education shall publish guidelines addressing the practices of the institution regarding the transfer of course credit. In the guidelines, the institution must identify a course by using the [any] common course numbering system approved [adopted] by the board.

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

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

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

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

(d) An institution of higher education shall use the common course numbering system approved by the board under this section. For good cause, the board may grant to an institution of higher

education an exemption from a requirement of this subchapter relating to the use of the system.

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

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

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

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

Sec. 61.876. AMOUNT OF REPAYMENT ASSISTANCE; LIMITATIONS. (a) For each year that a qualified person serves as an early childhood child-care worker in this state ~~[under an agreement under Section 61.875]~~, the person may receive loan repayment assistance in an amount not to exceed 15 percent of the total amount of the person's outstanding student loans, including scheduled interest payments that would become due if the loan is not prepaid, as of the date [when] the person begins to receive repayment assistance under this subchapter ~~[enters into the agreement]~~.

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

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

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

~~(c) [(b) The board may enter into an agreement to provide loan repayment assistance under Section 61.875 only to the extent money in the trust fund established by Section 61.878 or money appropriated to the trust fund for future deposit to the trust fund will be sufficient to provide the repayment assistance as it becomes payable.] If [that] money will not be sufficient to provide repayment assistance to each eligible applicant, the board shall select persons to receive repayment assistance from the eligible applicants according to financial need or on another basis the board considers reasonable to further the purposes of this subchapter.~~

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

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

Sec. 61.879. SERVICE AGREEMENTS ENTERED INTO UNDER FORMER LAW; SAVING PROVISION. (a) This section applies only to a person who was awarded loan repayment assistance under this subchapter and entered into a written agreement to perform service as an early childhood child-care worker in exchange for that assistance under this subchapter before September 1, 2003.

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

SECTION 28. Sections 61.952 and 61.954, Education Code, as

added by Chapter 1403, Acts of the 77th Legislature, Regular Session, 2001, are amended to read as follows:

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

(1) apply to the board; and
 (2) have been [be] employed for at least one year by, and be currently employed by, ~~[or have been offered employment with]~~ the office of the attorney general at the time the attorney applies for the assistance~~[-, and~~

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

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

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

SECTION 29. Sections 142.005 and 142.006, Education Code, are amended to read as follows:

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

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

SECTION 30. Chapter 142, Education Code, is amended by adding Section 142.007 to read as follows:

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

SECTION 31. Sections 143.006 and 143.007, Education Code, are amended to read as follows:

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

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

SECTION 32. Chapter 143, Education Code, is amended by adding Section 143.008 to read as follows:

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

SECTION 33. Section 7.005, Education Code, is amended to read as follows:

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

SECTION 34. Section 52.34, Education Code, is amended to read as follows:

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

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

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

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

SECTION 36. The heading to Subchapter O, Chapter 56, Education Code, as added by Chapter 1261, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

SUBCHAPTER O. TEACH FOR TEXAS

LOAN REPAYMENT ~~[FINANCIAL]~~ ASSISTANCE PROGRAM

SECTION 37. Subchapter O, Chapter 56, Education Code, as added by Chapter 1261, Acts of the 77th Legislature, Regular Session, 2001, is amended by amending Sections 56.351 through 56.355 and adding Sections 56.3575 and 56.359 to read as follows:

Sec. 56.351. DEFINITION ~~[DEFINITIONS]~~. In this subchapter, "coordinating~~[-~~

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

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

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

Sec. 56.352. PURPOSE OF PROGRAM; LOAN REPAYMENT AUTHORIZED.
(a) The purpose of this subchapter is to attract to the teaching profession persons who have expressed interest in teaching and to support the employment ~~[certification]~~ of those persons as

classroom teachers by providing student loan repayment assistance for service ~~[a grant on the condition that the recipient serve]~~ as a classroom teacher in the public schools of this state ~~[for a specified period]~~.

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

Sec. 56.353. ELIGIBILITY ~~[FOR GRANT, TEACHING AGREEMENT]~~.

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

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

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

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

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

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

~~[(A) the person is seeking educator certification] in a teaching field identified~~ ~~[certified]~~ by the commissioner of education as experiencing a critical shortage of teachers in this state in the year in which the person receives the assistance ~~[grant]~~ and has for at least one year taught full-time at, and is currently teaching ~~[agrees to teach]~~ full-time ~~[for five years]~~ at, the preschool, primary, or secondary level in a public school in this state in that teaching field; or

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

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

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

~~[(d)]~~ If the money available for loan repayment assistance ~~[grants]~~ in a period for which assistance is ~~[grants are]~~ awarded is insufficient to provide assistance ~~[grants]~~ to all eligible applicants described by Subsection (b), the coordinating board shall establish priorities for awarding repayment assistance to address the most critical teacher shortages described by Subsection (a) ~~[give the highest priority to applicants who demonstrate the greatest financial need]~~.

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

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

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

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

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

~~[(1) completes at least 75 percent of the semester 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].~~

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

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

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

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

Sec. 56.359. GRANTS AND SERVICE AGREEMENTS ENTERED INTO UNDER FORMER LAW; SAVING PROVISION. (a) This section applies only to a person who was awarded a Teach for Texas grant and entered into a written agreement to perform service as a public school teacher in this state in order to receive the grant under this subchapter before September 1, 2003.

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

SECTION 38. Sections 61.0592, 61.0593, 61.070, and 61.071, Education Code, are repealed.

SECTION 39. Subsection (e), Section 61.0771, Education Code, is repealed.

SECTION 40. Sections 61.094 and 61.096, Education Code, are repealed.

SECTION 41. Subchapter E, Chapter 61, Education Code, is repealed.

SECTION 42. Subchapter Q, Chapter 61, Education Code, is repealed.

SECTION 43. (a) Section 56.356, Education Code, as added by Chapter 1261, Acts of the 77th Legislature, Regular Session, 2001, is repealed.

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

(c) Section 61.953, Education Code, as added by Chapter 1403, Acts of the 77th Legislature, Regular Session, 2001, is repealed.

SECTION 44. (a) Of the six positions on the Texas Higher Education Coordinating Board that have terms scheduled to expire on August 31, 2003, one of the positions is abolished on September 1, 2003. On or before September 1, 2003, the governor shall designate which of the six positions shall be abolished and shall appoint five persons to fill the other positions for terms expiring August 31, 2009.

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

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

SECTION 45. The changes in law made by this Act in the prohibitions or qualifications applying to members of the Texas Higher Education Coordinating Board do not affect the entitlement of a member serving on the board immediately before the effective date of this Act to continue to serve and function as a member of the board for the remainder of the member's term. Those changes in law apply only to a member appointed on or after the effective date of this Act.

SECTION 46. On the effective date of this Act:

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

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

(3) a reference in law to the joint advisory committee that relates to providing advisory functions to the Texas Higher Education Coordinating Board and the State Board of Education means

the P-16 Council.

SECTION 47. (a) Each general academic teaching institution shall provide the performance data as required by Section 61.0902, Education Code, as added by this Act, beginning with the data for the 2003-2004 academic year.

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

SECTION 48. Not later than June 1, 2004, the Texas Higher Education Coordinating Board shall:

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

(2) establish a timetable for each public institution of higher education to phase in the use of the common course numbering system approved by the board.

SECTION 49. (a) The Texas Higher Education Coordinating Board shall enter into a contract with the Texas Guaranteed Student Loan Corporation to use the corporation's electronic funds transfer system, as required by Section 52.34, Education Code, as amended by this Act, not later than January 1, 2004.

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

SECTION 50. This Act takes effect September 1, 2003.

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