

By: Shapiro, West, Royce

S.B. No. 1228

A BILL TO BE ENTITLED

AN ACT

relating to a statewide assessment and accountability system for public institutions of higher education.

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

SECTION 1. Chapter 61, Education Code, is amended by adding Subchapter EE to read as follows:

SUBCHAPTER EE. STATEWIDE ASSESSMENT AND ACCOUNTABILITY SYSTEM

Sec. 61.9751. DEVELOPMENT AND IMPLEMENTATION OF SYSTEM;

SYSTEM COMPONENTS. (a) The board shall develop and implement a statewide assessment and accountability system to measure the performance of each institution of higher education, including the institution's progress in achieving performance goals, in the following areas:

(1) the number of students to whom the institution provides higher education services;

(2) the number of students succeeding in higher education at the institution, as measured at least in part by the number of degrees or certificates awarded;

(3) institutional research, as measured at least in part by the level of federal science or engineering research funding awarded to the institution;

(4) the overall excellence of the institution, as measured at least in part by the number of the institution's programs or services that are nationally recognized;

1           (5) the institution's effectiveness in managing and  
2 using money available to the institution from appropriations,  
3 tuition charges, or any other source; and

4           (6) any other area determined by the board to be  
5 necessary to effectively evaluate the performance of a particular  
6 type of institution.

7           (b) As part of the system, the board, in consultation with  
8 appropriate officers of each institution, shall place each  
9 institution in an institutional peer group with like institutions  
10 of higher education in this state and other states, as determined by  
11 the primary role or mission of the institutions, such as research,  
12 teaching, or the provision of graduate education. At least  
13 biennially, the board shall review the institutions assigned to  
14 each peer group and modify the peer group as necessary to reflect  
15 changes in the role or mission of one or more institutions.

16           (c) The board by rule shall adopt a method to assess and rate  
17 the performance, including progress in achieving performance  
18 goals, of each institution of higher education in each area  
19 identified under Subsection (a) and to use the assessments and  
20 ratings for each area to assess and rate the overall performance of  
21 each institution. The board may adopt different ratings methods  
22 for different institutional peer groups. The board may provide for  
23 ratings in any form, including in the form of a ranking or score,  
24 except that the ratings method must provide a clear indication of  
25 whether an institution's performance is acceptable or unacceptable  
26 and must allow an assessment based on the specific context and  
27 circumstances associated with each institution. The board may also

1 provide for a rating that indicates a need for improvement or that  
2 recognizes the degree of change in an institution's performance  
3 from one year to the next or over a period of years specified by the  
4 board.

5 (d) The board shall develop and implement a method to  
6 recognize each institution of higher education assigned the highest  
7 rating in overall performance under Section 61.9752.

8 Sec. 61.9752. ANNUAL ASSESSMENT. (a) Each year the board  
9 shall assess and rate the performance of each institution of higher  
10 education using the assessment and accountability system developed  
11 under this subchapter and determine whether to change an  
12 institution's current performance rating.

13 (b) In assessing and rating an institution's performance,  
14 the board shall compare an institution's performance for each area  
15 identified under Section 61.9751(a) to standards established under  
16 state law, including standards adopted by the board, and to the  
17 performance of other in-state and out-of-state institutions of  
18 higher education in the same institutional peer group.

19 Sec. 61.9753. REPORTS; LEGISLATIVE OVERSIGHT. (a) Not  
20 later than January 15 of each year, the board shall report  
21 assessment results to each institution of higher education and to  
22 the legislative oversight committee on higher education  
23 established under Section 54.0515. The board shall also report the  
24 results of the annual assessments on the board's Internet website.

25 (b) Not later than February 15 of each odd-numbered year,  
26 the legislative oversight committee shall make any recommendations  
27 the committee considers necessary for legislative action

1 concerning the assessment and accountability system or the  
2 assessment results.

3 Sec. 61.9754. INFORMATION FOR ASSESSMENTS. To the extent  
4 practicable, the board shall obtain the information necessary for  
5 the board to perform its duties under this subchapter from other  
6 agencies or from reports submitted to the board for other purposes  
7 by institutions of higher education. Each institution of higher  
8 education shall provide to the board, at the time and in the form  
9 required by the board, any other information necessary for the  
10 board to perform its duties under this subchapter.

11 Sec. 61.9755. TUITION INCREASE PROHIBITED. If for any  
12 academic year an institution of higher education receives a rating  
13 under the assessment and accountability system that indicates  
14 unacceptable overall performance, for a subsequent academic year  
15 the institution may not increase the rate of tuition charged under  
16 Section 54.0513 or any other law granting the institution or its  
17 governing board discretion to set the tuition rate, except as  
18 necessary to reflect cost-of-living increases as determined by the  
19 board, until the institution receives a rating that indicates  
20 acceptable overall performance.

21 Sec. 61.9756. RULES. The board shall adopt rules as  
22 necessary to implement this subchapter.

23 Sec. 61.9757. INITIAL REPORTS, COMMENTS, RECOMMENDATIONS,  
24 AND IMPLEMENTATION. (a) Not later than November 1, 2005, the board  
25 shall submit to the legislative oversight committee on higher  
26 education an initial report on the board's proposed statewide  
27 higher education assessment and accountability system for

1 institutions of higher education other than public junior colleges.  
2 Not later than December 1, 2005, the committee shall provide its  
3 comments and recommendations to the board concerning the proposed  
4 system for those institutions of higher education. The board shall  
5 consider the committee's comments and recommendations in adopting  
6 and implementing the system.

7 (b) Not later than March 1, 2006, the board shall implement  
8 the assessment and accountability system and make the initial  
9 institutional assessments of institutions of higher education  
10 other than public junior colleges.

11 (c) Not later than November 1, 2006, the board shall submit  
12 to the legislative oversight committee an initial report on the  
13 board's proposed statewide higher education assessment and  
14 accountability system for public junior colleges. Not later than  
15 December 1, 2006, the committee shall provide its comments and  
16 recommendations to the board concerning the proposed system for  
17 public junior colleges. The board shall consider the committee's  
18 comments and recommendations in adopting and implementing the  
19 system.

20 (d) Not later than March 1, 2007, the board shall implement  
21 the assessment and accountability system for public junior colleges  
22 and make the initial institutional assessments of the junior  
23 colleges.

24 (e) The board as it considers appropriate may apply this  
25 section to public state colleges and public technical institutes  
26 according to the provisions applicable to public junior colleges.

27 (f) This section expires June 1, 2007.

1       Sec. 61.9758. COMPOSITION OF PEER GROUPS: INCLUSION OF  
2 OUT-OF-STATE INSTITUTIONS. Notwithstanding Section 61.9751(b) or  
3 61.9752(b), the board is not required to include institutions of  
4 higher education in other states in institutional peer groups or to  
5 use those institutions as part of the statewide higher education  
6 assessment and accountability system until September 1, 2007. This  
7 section expires January 1, 2008.

8       SECTION 2. Sections 54.0515(b) and (f), Education Code, are  
9 amended to read as follows:

10       (b) The legislative oversight committee on higher education  
11 is composed of 12 members as follows:

12           (1) the presiding officer of the standing committee of  
13 each house of the legislature with primary jurisdiction over higher  
14 education;

15           (2) the presiding officer of the Senate Finance  
16 Committee or its successor and of the House Appropriations  
17 Committee or its successor;

18           (3) four additional [~~six~~] members of the senate  
19 appointed by the lieutenant governor; and

20           (4) four additional [~~(2) six~~] members of the house of  
21 representatives appointed by the speaker of the house of  
22 representatives.

23       (f) The committee shall:

24           (1) meet at the call of either chair;

25           (2) monitor and regularly report to the legislature on  
26 each institution of higher education's compliance with the  
27 requirements of Subsection (e); [~~and~~]

1           (3) receive and review information concerning the  
2 affordability and accessibility of higher education, including the  
3 impact of tuition deregulation; and

4           (4) perform duties prescribed by Subchapter EE,  
5 Chapter 61, concerning the statewide higher education assessment  
6 and accountability system.

7           SECTION 3. (a) On October 15, 2005, the presiding officer  
8 of the standing committee of each house of the legislature with  
9 primary jurisdiction over higher education and the presiding  
10 officer of the Senate Finance Committee or its successor and of the  
11 House Appropriations Committee or its successor shall begin serving  
12 as members of the legislative oversight committee on higher  
13 education in accordance with Section 54.0515(b), Education Code, as  
14 amended by this Act.

15           (b) As soon as practicable after this Act takes effect, the  
16 lieutenant governor and the speaker of the house of representatives  
17 shall modify the composition of the committee as necessary to  
18 comply with Section 54.0515(b), Education Code, as amended by this  
19 Act.

20           SECTION 4. This Act takes effect immediately if it receives  
21 a vote of two-thirds of all the members elected to each house, as  
22 provided by Section 39, Article III, Texas Constitution. If this  
23 Act does not receive the vote necessary for immediate effect, this  
24 Act takes effect September 1, 2005.