

BILL ANALYSIS

C.S.H.B. 3828
By: Morrison
Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The state has many goals for improving higher education in Texas, such as increasing graduation rates and higher enrollment for high risk students; those goals have not been achieved to the necessary level.

C.S.H.B. 3828 encourages higher education institutions to focus on fulfilling state goals, such as graduation rates and graduates in critical fields.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 and SECTION 3 of this bill.

ANALYSIS

Section 1. Adds Subchapter EE titled "Performance Incentive Funding" to Chapter 61, Education Code.

Sec. 61.9801. (a) Applies only to general academic teaching institutions other than public state colleges.

(b) Defines "Advanced degree," "At-risk student," and "Critical field."

(c) Lists current critical fields of study. Enables the Texas Higher Education Coordinating Board (board) beginning September 1, 2010 to designate a field of study not currently listed or remove a field of study currently listed in this subsection as a critical field.

(d) Requires the board to distribute any performance incentive funds to institutions in proportion to the number of points assigned under the tables in Subsections (f) and (g).

(e) Specifies that points are only assigned to certain institutions according to the tables in Subsections (f) and (g) on the basis of a degree awarded during the state fiscal year preceding the year of the distribution of funds. Provides that points may not be assigned for a degree awarded to an international student.

(f) Provides, in tabular format, the points assigned for a bachelor's degree awarded to a student by an institution to which this section applies based on whether or not they are an at-risk student or in a critical field.

(g) Provides, in tabular format, the points assigned for an advanced degree awarded to a student by an institution to which this section applies determined by the type of advanced degree awarded.

Sec. 61.9802 (a) Applies only to community colleges, public technical institutes, and public state colleges.

(b) Defines "At-risk student," and "Critical field."

(c) Lists current critical fields of study. Enables the board beginning September 1, 2010 to designate a field of study not currently listed or remove a field of study currently listed in this subsection as a critical field.

(d) Requires the board to distribute any performance incentive funds to institutions in proportion to the number of points assigned under the tables in Subsections (f) and (g).

(e) Specifies that points are only awarded to certain institutions according to the tables in Subsections (f) and (g) on the basis of a degree or certificate awarded or a student transfer made during the state fiscal year preceding the year of the distribution of funds. Provides that points may not be assigned, for a program that the board determines does not merit funding or to an international student.

(f) Provides, in tabular format, the points assigned for an associate degree or certificate awarded to a student by an institution to which this section applies based on whether or not they are an at-risk student or in a critical field.

(g) Provides, in tabular format, the points assigned for a student by an institution to which this section applies who in the preceding state fiscal year completed at least 30 semester credit hours at the institution with a grade point average of at least 2.5 before transferring to a general academic teaching institution other than a public state college according to whether or not they are an at-risk student.

Sec. 61.9803 (a) Applies only to medical and dental units.

(b) Requires the board to distribute any performance incentive funds to institutions in proportion to the number of points assigned under the table in Subsection (d).

(c) Specifies that points are only assigned to certain institutions according to the table in Subsection (d) on the basis of a degree awarded or a first-year residency completed during the state fiscal year preceding the year of the distribution of funds. Provides that points may not be assigned for any degree awarded to an international student.

(d) Provides, in tabular format, the points assigned for a degree awarded to a student by an institution to which this section applies based on the type of degree awarded or a first residency completed.

Sec. 61.9804. Requires the board to adopt rules for the administration of this subchapter.

Sec. 61.9805. Requires each institution of higher education to submit to the board not later than September 1 of each year a report detailing certain information on every student for which they qualified to be assigned points under the previous sections.

Sec. 61.9806. (a) Requires the board, in consultation with certain institutions of higher education, to develop and adopt as an additional criteria a methodology designed to assess the quality of the degrees and certificates for which points are assigned under this subchapter.

(b) Requires that the methodology adopted be designed to promote the maintenance or enhancement of the quality of degrees and certificates awarded by the institutions and include minimum standards of quality that a degree or certificate awarded by an institution must satisfy in order to qualify for an assignment of points under this subchapter.

(c) Provides that the minimum standards required under Subsection (b) (2) may be established per graduate, per department, per institution, or based on any other unit of measurement the board considers appropriate.

(d) Provides that the board may consider indicators to measure the quality of degrees or certificates, such as end-of-degree and end-of-certificate examinations, except that the board may not require a student's performance on such an examination authorized by the board to be used for purposes of this section to be used to determine the student's eligibility for graduation; a peer review process; accreditation status; and any other factor the board considers appropriate.

(e) Requires the board, not later than January 31 of each even-numbered year, to adopt the methodology required by this section applicable to the distribution of funds under this subchapter in the state fiscal biennium that begins in the following odd-numbered year. Requires, upon adoption, that the board submit a copy of the methodology to the governor, lieutenant governor, speaker of the house of representatives, chair of the senate finance committee, chair of the house committee on appropriations, and members of each legislative standing committee or subcommittee with higher education oversight responsibility.

(f) Requires the board to adopt rules for the administration of this section.

Sec. 61.9807. Requires the board to provide for the evaluation by an education research center of the points assigned under certain sections each state fiscal biennium. Requires, not later than November 1 of each even-numbered year, the education research center to submit to the board and the legislature a written report regarding the center's evaluation, including any recommendations for changes to the points assigned under those sections.

SECTION 2. Repeals Sec. 61.0591, Education Code.

SECTION 3. Requires the Texas Higher Education Coordinating Board to adopt rules relating to the administration of Subchapter EE, Chapter 61, Education Code, as added by this Act, as soon as practicable after the effective date.

SECTION 4. Effective date.

EFFECTIVE DATE

This Act takes effect September 1, 2008.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute removes the definition of "Major field test" from Sec. 61.9801(b).

The substitute removes Sec. 61.9801(d) from the original bill, specifying the method to compute a student's assessment score percentage on a major field test.

The substitute provides an exception as otherwise provided by rules adopted under a certain Section to the requirement of the board to distribute performance incentive funds to institutions under Sec. 61.9801(d).

The substitute removes references from the table in Sec. 61.9801(f) to the student's assessment score percentage.

The substitute removes the definition of "General education test" from Sec. 61.9802(b).

The substitute removes Sec. 61.9802(d) from the original bill, specifying acceptable general education tests and authorizing the board to add or remove tests from the list. The substitute also removes Sec. 61.9082(e) from the original bill, specifying the method to compute a student's assessment score percentage on a general education test.

The substitute provides an exception as otherwise provided by rules adopted under a certain Section to the requirement of the board to distribute performance incentive funds to institutions under Sec. 61.9802(d).

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The substitute removes references from the table in Sec. 61.8902(f) to the student's assessment score percentage.

The substitute removes Sec. 61.9803(b) from the original bill, defining "licensing examination." The substitute also removes 61.9803(c) from the original bill, specifying the method to compute a student's licensing examination percentage.

The substitute provides an exception as otherwise provided by rules adopted under a certain Section to the requirement of the board to distribute performance incentive funds to institutions under Sec. 61.9803(b).

The substitute removes Sec. 61.9803(f) from the original bill, providing the table specifying the number of points assigned to an institution for a bachelor's degree awarded in an allied health field or nursing or a professional degree awarded.

The substitute changes Sec. 61.9803(d) and Sec. 61.9805 to provide that points are assigned to an institution for a first residency completed, rather than a first-year residency completed. The table and reporting requirements provided in the original bill are changed to reflect this.

The substitute also changes 61.9805 to include the students cumulative high school grade point average, whether the student did not receive a high school diploma but received a high school equivalency certificate, whether a student may not be claimed by any other person as a dependent for federal income tax purposes but may claim at least one other person as a dependent for federal income tax purposes, and whether the student is a single parent in the reporting requirements. The substitute removes the student's score on any major field test or general education test and the national or statewide average of students' scores on these tests from the reporting requirements.

The substitute removes Sec. 61.9806, Sec. 61.9807, Sec. 61.9808, and Sec. 61.9809 from the original bill, relating to major field tests and general education tests and the reporting of scores of certain tests.

The substitute adds Sec. 61.9806, regarding adjustment of funding based on quality of degrees and certificates awarded, to require the board to adopt rules meeting certain requirements establishing additional criteria and methodology for the assignment of points to institutions.

The substitute changes Sec. 61.9807 to account for any rules adopted by the board adopted under Section 61.9806.

The substitute removes SECTION 4 of the original bill, specifying the application of this Act to the reporting of certain test scores to certain institutions.

The substitute makes other technical, non-substantive, and conforming changes.