

1-1 By: Rose (Senate Sponsor - Watson) H.B. No. 4189
1-2 (In the Senate - Received from the House May 13, 2009;
1-3 May 14, 2009, read first time and referred to Committee on Higher
1-4 Education; May 20, 2009, reported favorably by the following vote:
1-5 Yeas 5, Nays 0; May 20, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the conduct of compliance programs by institutions of
1-9 higher education.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subchapter Z, Chapter 51, Education Code, is
1-12 amended by adding Section 51.971 to read as follows:

1-13 Sec. 51.971. COMPLIANCE PROGRAM. (a) In this section:

1-14 (1) "Compliance program" means a process to assess and
1-15 ensure compliance by the officers and employees of an institution
1-16 of higher education with applicable laws, rules, regulations, and
1-17 policies, including matters of:

1-18 (A) ethics and standards of conduct;

1-19 (B) financial reporting;

1-20 (C) internal accounting controls; or

1-21 (D) auditing.

1-22 (2) "Institution of higher education" has the meaning
1-23 assigned by Section 61.003.

1-24 (b) An institution of higher education that maintains a
1-25 compliance program may establish procedures, such as a telephone
1-26 hotline, to permit private access to the compliance program office
1-27 and to preserve the confidentiality of communications and the
1-28 anonymity of a person making a compliance report or participating
1-29 in a compliance investigation.

1-30 (c) The following are confidential:

1-31 (1) information that directly or indirectly reveals
1-32 the identity of an individual who made a report to the compliance
1-33 program office of an institution of higher education, sought
1-34 guidance from the office, or participated in an investigation
1-35 conducted under the compliance program; and

1-36 (2) information that directly or indirectly reveals
1-37 the identity of an individual as a person who is alleged to have or
1-38 may have planned, initiated, or participated in activities that are
1-39 the subject of a report made to the compliance program office of an
1-40 institution of higher education if, after completing an
1-41 investigation, the office determines the report to be
1-42 unsubstantiated or without merit.

1-43 (d) Subsection (c) does not apply to information related to
1-44 an individual who consents to disclosure of the information.

1-45 (e) Information produced in a compliance program
1-46 investigation the release of which would interfere with an ongoing
1-47 compliance investigation is excepted from disclosure under Chapter
1-48 552, Government Code.

1-49 (f) Information made confidential or excepted from public
1-50 disclosure by this section may be made available to a law
1-51 enforcement agency or prosecutor for official purposes of the
1-52 agency or prosecutor upon proper request made in compliance with
1-53 applicable law and procedure.

1-54 SECTION 2. This Act takes effect immediately if it receives
1-55 a vote of two-thirds of all the members elected to each house, as
1-56 provided by Section 39, Article III, Texas Constitution. If this
1-57 Act does not receive the vote necessary for immediate effect, this
1-58 Act takes effect September 1, 2009.

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