

By: Shapleigh

S.B. No. 1564

A BILL TO BE ENTITLED

AN ACT

relating to Tier One Challenge funding to support the development and enhancement of national research universities in this state.

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

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

SUBCHAPTER FF. TIER ONE CHALLENGE FUNDING

Sec. 61.9771. DEFINITIONS. In this subchapter:

(1) "Emerging research university" means an institution of higher education designated as an emerging research university under the board's accountability system.

(2) "Research university" means an institution of higher education designated as a research university under the board's accountability system.

Sec. 61.9772. PURPOSE. The purpose of this subchapter is to provide funding for the enhancement of research universities and for the development of emerging research universities.

Sec. 61.9773. ELIGIBILITY FOR FUNDING. (a) Except as provided by Subsection (b), to be eligible to participate in the funding under this subchapter, a research university or emerging research university must:

(1) submit to the board, in the form and manner prescribed by the board, a detailed, long-term strategic plan documenting the strategy by which the institution intends to

1 achieve recognition as a research university, or enhance the  
2 university's reputation as a research university, as applicable;

3 (2) receive board approval of the university's plan  
4 under Subdivision (1); and

5 (3) meet any other criteria the board considers  
6 appropriate, including consideration of:

7 (A) the amount of and any increase in externally  
8 generated research funds received by the university, including  
9 federal money, private gifts and donations, private endowment  
10 earnings, and funds from any local or regional source; and

11 (B) the number of doctoral programs offered by  
12 the university and any increase in that number.

13 (b) The University of Texas at Austin, Texas A&M University,  
14 and Prairie View A&M University are not eligible to receive funding  
15 under this subchapter.

16 Sec. 61.9774. ALLOCATION OF FUNDING. (a) For each state  
17 fiscal year, the board shall allocate any funds appropriated for  
18 the purposes of this subchapter, and any other funds made available  
19 for the purposes of this subchapter, to research universities and  
20 emerging research universities that are eligible to participate in  
21 the funding based on an equitable formula developed by the board to  
22 further the purposes of this subchapter.

23 (b) The board shall review the equitable formula at the end  
24 of each state fiscal biennium and may adjust the formula as the  
25 board considers appropriate.

26 Sec. 61.9775. USE OF ALLOCATED AMOUNTS. An institution of  
27 higher education may use money received under this subchapter only

1 for the purposes approved by the board to implement the strategic  
2 plan submitted to the board under Section 61.9773.

3 Sec. 61.9776. ACCEPTANCE OF GIFTS OR GRANTS. The board may  
4 accept gifts or grants from any public or private source for the  
5 purposes of this subchapter.

6 Sec. 61.9777. ANNUAL PROGRESS REPORT. (a) The board shall  
7 require each institution of higher education receiving funds under  
8 this subchapter in a state fiscal year to report to the board not  
9 later than the October 1 immediately following that state fiscal  
10 year the institution's progress toward implementing the  
11 institution's strategic plan submitted under Section 61.9773.

12 (b) Not later than the following January 1, the board shall  
13 prepare and submit to the presiding officer of each house of the  
14 legislature a written report based on the information received by  
15 the board under Subsection (a).

16 Sec. 61.9778. RULES. The board shall adopt rules for the  
17 administration of this subchapter.

18 SECTION 2. The Texas Higher Education Coordinating Board  
19 shall adopt rules relating to the administration of Subchapter FF,  
20 Chapter 61, Education Code, as added by this Act, as soon as  
21 practicable after the effective date of this Act.

22 SECTION 3. This Act takes effect immediately if it receives  
23 a vote of two-thirds of all the members elected to each house, as  
24 provided by Section 39, Article III, Texas Constitution. If this  
25 Act does not receive the vote necessary for immediate effect, this  
26 Act takes effect September 1, 2009.