

## **BILL ANALYSIS**

Senate Research Center  
82R12380 CBE-D

H.J.R. 130  
By: Branch (Birdwell)  
Higher Education  
5/6/2011  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

On October 29, 2010, the United States Department of Education released Final Regulations on Program Integrity Issues in an effort to strengthen federal student aid programs at postsecondary institutions. One provision seeks to clarify the minimum a state must do to authorize a postsecondary institution so that the institution is able to participate in federal student aid and other federal funding programs.

Specifically, 34 C.F.R. Section 600.9 was amended to require that postsecondary institutions be "established by name as an educational institution by a State through a charter, statute, constitutional provision, or other action" and that they be "authorized to operate educational programs beyond secondary education, including programs leading to a degree or certificate."

Section 61.003 (Definitions), Texas Education Code, cites state universities by name and Section 61.063 (Listing and Certification of Junior Colleges), Texas Education Code, establishes a process for naming public community colleges, but state law regards private institutions of higher education differently.

Rather than naming them, Section 61.003, Texas Education Code, defines "private or independent institutions of higher education" as those institutions organized under the Texas Non-Profit Corporation Act, now part of the Texas Business Organizations Code, that are exempt from taxation under Article VIII (Taxation and Revenue), Section 2 (Occupation Taxes; Equality and Uniformity; Exemptions from Taxation), Texas Constitution, and Section 501(c)(3), Internal Revenue Code of 1986, and that are accredited by the Commission on Colleges of the Southern Association of Colleges and Schools, the Liaison Committee on Medical Education, or the American Bar Association.

Such institutions are exempt from Section 61.301 (Purpose), Texas Education Code, which provides for the "regulation of private postsecondary educational institutions," because they are accredited by an accrediting agency recognized by the Texas Higher Education Coordinating Board (THECB).

The state is home to many institutions covered by Section 61.003, Texas Education Code, some of which have educated students since the mid-1800s, and all of which have been in operation for at least 20 years. Each is eligible to participate in one or more state-funded student financial aid programs subject to audit by THECB, and those that participate in such programs provide student enrollment and graduation data to THECB for accountability purposes. Moreover, consumer complaints about the institutions can be made to the Office of the Attorney General, consumer protection division, and complaints concerning financial impropriety and ethical misconduct can be made to the Office of the Attorney General, charitable trust division.

The state's private postsecondary educational institutions include: Abilene Christian University, Amberton University, Austin College, Baylor University, Baylor College of Medicine, the College of St. Thomas More, Concordia University Texas, Dallas Baptist University, East Texas Baptist University, Hardin-Simmons University, Houston Baptist University, Howard Payne University, Huston-Tillotson University, Jacksonville College, Jarvis Christian College, Le Tourneau University, Lon Morris College, Lubbock Christian University, McMurry University, Our Lady of the Lake University, Parker College of Chiropractic, Paul Quinn College, Rice University, St. Edward's University, St. Mary's University, Schreiner University, Southern

Methodist University, South Texas College of Law, Southwestern University, Southwestern Adventist University, Southwestern Assemblies of God University, Southwestern Christian College, Texas Chiropractic College, Texas Christian University, Texas College, Texas Lutheran University, Texas Wesleyan University, Trinity University, University of Dallas, University of the Incarnate Word, University of Mary Hardin-Baylor, University of St. Thomas, Wayland Baptist University, and Wiley College.

H.J.R. 130 meets requirements of the United States Department of Education concerning federal student aid by naming private institutions of higher education in the State of Texas that are authorized to operate educational programs beyond secondary education, including programs leading to a degree or certificate.

**RESOLVED**

That the 82nd Legislature of the State of Texas hereby notify the United States Department of Education that the aforementioned colleges and universities are authorized in the State of Texas to operate educational programs beyond secondary education, including programs leading to a degree or certificate, and that therefore the State of Texas has met the conditions of 34 C.F.R. Section 600.9.

That the Texas secretary of state forward official copies of this resolution to the secretary of education, to the president of each college and university named, to the president of the Senate and the speaker of the House of Representatives of the United States Congress, and to all the members of the Texas delegation to Congress with the request that this resolution be entered in the Congressional Record as a memorial to the Congress of the United States of America.