

## **BILL ANALYSIS**

C.S.S.B. 38  
By: Zaffirini  
Higher Education  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

C.S.S.B. 38 requires that private postsecondary educational institutions that offer an associate degree or higher, operating in the state of Texas be subject to the state's higher education accountability system. This bill requires the Texas Higher Education Coordinating Board (THECB), in consultation with representatives from the private sector educational industry, to develop rules, groupings, and relevant key and contextual measures to ensure that students, parents, and policymakers remain informed about higher education options throughout the state.

There is currently no statutory law concerning the state's higher education accountability system. The system was initiated by gubernatorial proclamation (RP-31) in 2004, and created by THECB through rulemaking. The accountability system only applies to public colleges and universities and this would be the first attempt to bring private sector institutions into the system.

As proposed, C.S.S.B. 38 amends current law relating to the inclusion of certain private postsecondary educational institutions and career schools and colleges in the higher education accountability system of the Texas Higher Education Coordinating Board.

### **RULEMAKING AUTHORITY**

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

### **ANALYSIS**

SECTION 1. Amends Section 61.0904, Education Code, as follows:

Sec. 61.0904 (a) Creates this subsection from existing text. Requires the Texas Higher Education Coordinating Board (THECB), at least once every 10 years, to conduct a review of the institutional groupings under the THECB's higher education accountability system, including a review of the criteria for and definitions assigned to those groupings.

(b) Requires THECB to include within THECB's higher education accountability system any private postsecondary educational institutions or private career schools and colleges in this state that offer degree programs. Requires THECB to determine whether to create one or more separate institutional groupings for entities to which this subsection applies, regardless of whether THECB is conducting a periodic review of institutional groupings as required by Subsection (a). Requires THECB, in implementing this subsection, to consult with affected private postsecondary educational institutions and career schools and colleges regarding the imposition of reporting requirements on those entities and to adopt rules that clearly define the types and amounts of information to be reported to THECB.

(c) Requires THECB, in advance of each regular session of the legislature, to report to each standing legislative committee with primary jurisdiction over

higher education regarding any entities to which Subsection (b) applies that do not participate in THECB's accountability system as provided by that subsection.

SECTION 2. Effective date: upon passage or September 1, 2011.

**EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2011.

**COMPARISON OF ORIGINAL TO SUBSTITUTE**

The substitute requires THECB to include within THECB's higher education accountability system any private postsecondary educational institutions or private career schools and colleges in this state that offer degree programs; rather than to include any for-profit private postsecondary educational institutions or for-profit career schools and colleges in this state that offer degree programs.