

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Branch, Dukes

H.B. No. 2910

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to agreements between the Texas Higher Education  
3 Coordinating Board and certain organizations for increasing degree  
4 completion rates.

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

6 SECTION 1. Subchapter C, Chapter 61, Education Code, is  
7 amended by adding Section 61.0905 to read as follows:

8 Sec. 61.0905. AGREEMENTS AND GRANTS TO INCREASE DEGREE  
9 COMPLETION RATES. (a) The board may, in partnership with  
10 institutions of higher education, enter into an agreement with a  
11 nonprofit organization to assist the board in identifying and  
12 implementing effective methods for increasing degree completion  
13 rates at institutions of higher education, including by:

14 (1) identifying and promoting innovative models,  
15 emerging technology platforms, and best practices for increasing  
16 degree completion rates in areas including:

17 (A) developmental education;

18 (B) financial assistance;

19 (C) student support services; and

20 (D) transfer or articulation agreements;

21 (2) providing data, research, and evaluation support  
22 to assist the board in assessing the effectiveness of pilot  
23 programs in increasing degree completion rates;

24 (3) coordinating ongoing local, state, federal, and

1 philanthropic initiatives to increase degree completion rates; and  
2 (4) determining the extent of implementation of degree  
3 completion rate improvement models across a region or the state and  
4 the effectiveness of the models as student population increases.

5 (b) The board by rule may establish a grant program to fund  
6 projects, including the award of a grant to a nonprofit  
7 organization that enters into an agreement with the board under  
8 this section, related to the improvement of degree completion  
9 rates. If the board establishes a grant program under this section,  
10 the board by rule shall prescribe the application procedure and  
11 criteria for awarding a grant.

12 (c) Grants awarded by the board under this section may be  
13 funded by:

14 (1) appropriations; and

15 (2) gifts, grants, or other donations.

16 SECTION 2. This Act takes effect immediately if it receives  
17 a vote of two-thirds of all the members elected to each house, as  
18 provided by Section 39, Article III, Texas Constitution. If this  
19 Act does not receive the vote necessary for immediate effect, this  
20 Act takes effect September 1, 2011.

ADOPTED

MAY 25 2011

*Atty. Gen.*  
Secretary of the Senate

By: Branch/zaffirini

H.B. No. 2910

Substitute the following for H.B. No. 2910:

By: Zaffirini

C.S.H.B. No. 2910

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to agreements between the Texas Higher Education  
3 Coordinating Board and certain organizations for increasing degree  
4 completion rates.

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

6 SECTION 1. Subchapter C, Chapter 61, Education Code, is  
7 amended by adding Section 61.0905 to read as follows:

8 Sec. 61.0905. AGREEMENTS AND GRANTS TO INCREASE DEGREE  
9 COMPLETION RATES. (a) The board may, in partnership with  
10 institutions of higher education, enter into an agreement with  
11 nonprofit organizations to assist the board in identifying and  
12 implementing effective methods for increasing degree completion  
13 rates at institutions of higher education, including by:

14 (1) identifying and promoting innovative models,  
15 emerging technology platforms, and best practices for increasing  
16 degree completion rates in areas including:

17 (A) developmental education;

18 (B) financial assistance;

19 (C) student support services; and

20 (D) transfer or articulation agreements;

21 (2) providing data, research, and evaluation support  
22 to assist the board in assessing the effectiveness of pilot  
23 programs in increasing degree completion rates;

24 (3) coordinating ongoing local, state, federal, and

1 philanthropic initiatives to increase degree completion rates; and  
2 (4) determining the extent of implementation of degree  
3 completion rate improvement models across a region or the state and  
4 the effectiveness of the models as student population increases.

5 (b) The board by rule may establish a grant program to fund  
6 projects, including the award of a grant to a nonprofit  
7 organization that enters into an agreement with the board under  
8 this section, related to the improvement of degree completion  
9 rates. If the board establishes a grant program under this section,  
10 the board by rule shall prescribe the application procedure and  
11 criteria for awarding a grant.

12 (c) Grants awarded by the board under this section may be  
13 funded by:

14 (1) appropriations; and

15 (2) gifts, grants, or other donations.

16 (d) Not later than January 1, 2012, the board shall report  
17 to the Joint Oversight Committee on Higher Education Governance,  
18 Excellence, and Transparency a description of:

19 (1) the types of nonprofit organizations eligible for  
20 a grant under this section;

21 (2) grants awarded under this section; and

22 (3) a survey of partnerships between other states and  
23 nonprofit organizations to increase degree completion rates,  
24 including identification of best practices.

25 (e) This section expires September 1, 2013.

26 SECTION 2. This Act takes effect immediately if it receives  
27 a vote of two-thirds of all the members elected to each house, as

1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2011.

# ADOPTED

FLOOR AMENDMENT NO. 1

BY:

*Brian Burdell*

*Atty. Gen.*  
Secretary of the Senate

1 Amend C.S.H.B. No. 2910 (Senate Committee Printing) by  
2 adding the following appropriately numbered SECTIONS to the bill  
3 and renumbering the SECTIONS of the bill appropriately:

4 SECTION \_\_\_\_\_. Chapter 61, Education Code, is amended by  
5 adding Subchapter GG to read as follows:

6 SUBCHAPTER GG. TEXAS SCIENCE, TECHNOLOGY, ENGINEERING, AND  
7 MATHEMATICS (T-STEM) CHALLENGE SCHOLARSHIP PROGRAM

8 Sec. 61.9791. DEFINITION. In this subchapter, "STEM  
9 program" means a Science, Technology, Engineering, and  
10 Mathematics program.

11 Sec. 61.9792. SCHOLARSHIP PROGRAM. The board shall  
12 establish and administer, in accordance with this subchapter and  
13 board rules, the Texas Science, Technology, Engineering, and  
14 Mathematics (T-STEM) Challenge Scholarship program under which  
15 the board provides a scholarship to a student who meets the  
16 eligibility criteria prescribed by Section 61.9793.

17 Sec. 61.9793. ELIGIBLE STUDENT. (a) To receive an  
18 initial scholarship under this subchapter, a student must:

19 (1) graduate from high school with a grade point  
20 average of at least 3.0 on a four-point scale in mathematics and  
21 science courses;

22 (2) enroll in a STEM program at an eligible  
23 institution; and

24 (3) agree to work no more than 15 hours a week for a  
25 business participating in the STEM program.

26 (b) To continue to qualify for a scholarship under this  
27 subchapter, a student must:

28 (1) remain enrolled in a STEM program at an eligible  
29 institution;

1           (2) maintain an overall grade point average of at  
2 least 3.0 on a four-point scale;

3           (3) complete at least 80 percent of all semester  
4 credit hours attempted for each semester;

5           (4) complete at least 30 semester credit hours per  
6 academic year; and

7           (5) work no more than 15 hours a week for a business  
8 participating in the STEM program.

9           Sec. 61.9794. ELIGIBLE INSTITUTION. (a) To qualify as an  
10 eligible institution under this subchapter, an institution must:

11           (1) be a public junior college or public technical  
12 institute;

13           (2) admit at least 50 students into a STEM program  
14 each academic year; and

15           (3) develop partnerships with business and industry  
16 to:

17           (A) identify local employment needs in Science,  
18 Technology, Engineering, and Mathematics (STEM) fields; and

19           (B) provide part-time employment for students  
20 enrolled in a STEM program.

21           (b) To maintain eligibility, beginning with the second  
22 year following implementation of a scholarship program under  
23 this subchapter, an institution must demonstrate to the board  
24 that at least 70 percent of the institution's T-STEM Challenge  
25 Scholarship graduates, within three months after graduation,  
26 are:

27           (1) employed by a business in a Science, Technology,  
28 Engineering, and Mathematics (STEM) field; or

29           (2) enrolled in upper-division courses leading to a  
30 baccalaureate degree in a Science, Technology, Engineering, and  
31 Mathematics (STEM) field.

1       Sec. 61.9795. AMOUNT; FUNDING. (a) Subject to available  
2 funding, the board shall award scholarships, with at least 50  
3 percent of the amount awarded from private funds.

4       (b) An eligible student may receive a scholarship awarded  
5 under this subchapter for not more than two academic years.

6       (c) The board may use any available revenue, including  
7 legislative appropriations, and may solicit and accept gifts and  
8 grants for purposes of this subchapter.

9       SECTION \_\_\_\_\_. The Texas Higher Education Coordinating  
10 Board shall award scholarships under Subchapter GG, Chapter 61,  
11 Education Code, as added by this Act, beginning with the 2011-  
12 2012 academic year. The coordinating board shall adopt the  
13 rules required by that subchapter as soon as practicable after  
14 this Act takes effect.



**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 25, 2011**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB2910** by Branch (Relating to agreements between the Texas Higher Education Coordinating Board and certain organizations for increasing degree completion rates. ), As Passed 2nd House

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2910, As Passed 2nd House: a negative impact of (\$280,000) through the biennium ending August 31, 2013.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2012	\$0
2013	(\$280,000)
2014	(\$280,000)
2015	(\$280,000)
2016	(\$280,000)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund 1</b>
2012	\$0
2013	(\$280,000)
2014	(\$280,000)
2015	(\$280,000)
2016	(\$280,000)

**Fiscal Analysis**

Under provisions of the bill, the Higher Education Coordinating Board could, in partnership with institutions of higher education, enter into an agreement with a non-profit organization to assist the Board in identifying and implementing effective methods for increasing degree completion rates at institutions of higher education. The bill identifies certain areas that would be examined. The Board could also establish a grant program to fund projects relating to the improvement of degree completion rates.

The bill also creates the Texas Science, Technology, Engineering, and Mathematics Challenge Scholarship Program. The program would be administered by the Higher Education Coordinating Board. The bill establishes eligibility requirements for students and institutions. Under provisions of

the bill, certain public and private two year institutions would enter into partnerships with businesses and industry to identify local employment needs in STEM fields and provide part-time employment for students enrolled in a STEM program. Under provisions of the bill, subject to available funding, the Board would award scholarships, with at least 50 percent of the amount awarded from private funds.

### **Methodology**

Although not similar to the proposed degree completion program in terms of grants to institutions, an example of a program tied to increasing degree completion is a recent program started by the Higher Education Coordinating Board that targets students that have stopped going to institutions that had at least 45 semester credit hours to return to complete a baccalaureate degree. The agency is using \$500,000 in federal grants to develop a web portal that includes a transcript audit system, marketing, and evaluation.

For purposes of calculating the estimate on the STEM program, the following information and assumptions were used to calculate an estimate of the cost associated with the program. The Higher Education Coordinating Board provided information that in fall 2010, there were 77 2-year college campuses that reported students with STEM majors. The STEM programs included academic and technical/technical preparation. There were 14,000 students enrolled in technical/technical preparation courses at 60 campuses and 17,000 students enrolled in the academic programs. For purposes of this fiscal note only the technical preparation students were considered. It is further assumed that when other requirements in the bill are taken into account, 2% percent of these students would receive a scholarship. For purposes of this fiscal note it is assumed the scholarship amount would be \$2,000 which is comparable to the TEXAS Grant amount at a community college. This would result in a total cost of \$560,000 per year. It is assumed that businesses would provide a 50% match resulting in a state cost of \$280,000 per year. It is also assumed that a year would be needed to set up arrangements with businesses regarding the program, therefore costs associated with the new program would begin in fiscal year 2013.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 781 Higher Education Coordinating Board

**LBB Staff:** JOB, GO, KK, RT

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 20, 2011**

**TO:** Honorable Judith Zaffirini, Chair, Senate Committee on Higher Education

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB2910** by Branch (relating to agreements between the Texas Higher Education Coordinating Board and certain organizations for increasing degree completion rates.),  
**Committee Report 2nd House, Substituted**

**No significant fiscal implication to the State is anticipated.**

Under provisions of the bill, the Higher Education Coordinating Board could, in partnership with institutions of higher education, enter into an agreement with a non-profit organization to assist the Board in identifying and implementing effective methods for increasing degree completion rates at institutions of higher education. The bill identifies certain areas that would be examined. The Board could also establish a grant program to fund projects relating to the improvement of degree completion rates.

Although not similar to the proposed program in terms of grants to institutions, an example of a program tied to increasing degree completion is a recent program started by the Higher Education Coordinating Board that targets students that have stopped going to institutions that had at least 45 semester credit hours to return to complete a baccalaureate degree. The agency is using \$500,000 in federal grants to develop a web portal that includes a transcript audit system, marketing, and evaluation.

Not later than January 1, 2012 the HECB shall report to the Joint Oversight Committee on Higher Education Governance, Excellence, and Transparency a description of: (1) the types of nonprofit organizations eligible for a grant under this section; (2) grants awarded under this section; and (3) a survey of partnerships between other states and nonprofit organizations to increase degree completion rates, including identification of best practices.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 781 Higher Education Coordinating Board

**LBB Staff:** JOB, KK, RT, GO

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 10, 2011**

**TO:** Honorable Judith Zaffirini, Chair, Senate Committee on Higher Education

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB2910** by Branch (Relating to agreements between the Texas Higher Education Coordinating Board and certain organizations for increasing degree completion rates.), **As Engrossed**

**No significant fiscal implication to the State is anticipated.**

Under provisions of the bill, the Higher Education Coordinating Board could, in partnership with institutions of higher education, enter into an agreement with a non-profit organization to assist the Board in identifying and implementing effective methods for increasing degree completion rates at institutions of higher education. The bill identifies certain areas that would be examined. The Board could also establish a grant program to fund projects relating to the improvement of degree completion rates.

Although not similar to the proposed program in terms of grants to institutions, an example of a program tied to increasing degree completion is a recent program started by the Higher Education Coordinating Board that targets students that have stopped going to institutions that had at least 45 semester credit hours to return to complete a baccalaureate degree. The agency is using \$500,000 in federal grants to develop a web portal that includes a transcript audit system, marketing, and evaluation.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 781 Higher Education Coordinating Board

**LBB Staff:** JOB, KK, RT, GO

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**April 4, 2011**

**TO:** Honorable Dan Branch, Chair, House Committee on Higher Education

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: HB2910** by Branch (Relating to agreements between the Texas Higher Education Coordinating Board and certain organizations for increasing degree completion rates.), As Introduced

**No significant fiscal implication to the State is anticipated.**

Under provisions of the bill, the Higher Education Coordinating Board could, in partnership with institutions of higher education, enter into an agreement with a non-profit organization to assist the Board in identifying and implementing effective methods for increasing degree completion rates at institutions of higher education. The bill identifies certain areas that would be examined. The Board could also establish a grant program to fund projects relating to the improvement of degree completion rates.

Although not similar to the proposed program in terms of grants to institutions, an example of a program tied to increasing degree completion is a recent program started by the Higher Education Coordinating Board that targets students that have stopped going to institutions that had at least 45 semester credit hours to return to complete a baccalaureate degree. The agency is using \$500,000 in federal grants to develop a web portal that includes a transcript audit system, marketing, and evaluation.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 781 Higher Education Coordinating Board

**LBB Staff:** JOB, KK, RT, GO