BILL ANALYSIS

Senate Research Center 83R29735 KSD-F C.S.H.B. 870 By: Bell et al. (Hegar) Higher Education 5/17/2013 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

C.S.H.B. 870 relates to Prairie View A&M University's (Prairie View) eligibility to participate in the research development fund. All public universities—except The University of Texas at Austin (UT-Austin), Texas A&M University (TAMU), and Prairie View—are distributed funds by a set formula to facilitate individual projects, such as laboratory and equipment upgrades. UT-Austin and TAMU are not current participants in the research development fund because they participate in several other funds. However, Prairie View is not allowed to participate in those funds.

UT-Austin, TAMU, and Prairie View are currently prohibited from participating in the research development fund because they receive dollars from the permanent university fund. In excess of its permanent university fund dollars, UT-Austin received an additional \$18.3 million research dollars in fiscal years 2012 and 2013 from general revenue. TAMU received an additional \$3 million research dollars. Prairie View did not receive any excess funds.

Prairie View would have received \$720,000-\$950,000 if it had been allowed to participate in the research development fund this biennium. That is only 2.2–2.9 percent of the total appropriated amount in the fund.

Scientific research at higher education institutions is vital for development. In 2000, the Texas Higher Education Coordinating Board (THECB) rolled out its "Closing the Gaps in 2015" approach to higher education. This plan was submitted and has been approved by the legislature, lieutenant governor, governor, and the comptroller of public accounts of the State of Texas. "Closing the Gap" has four goals; to close the gaps in student participation, student success, excellence, and research.

High quality, effective, and efficient research efforts require the appropriate level of funding. THECB administers several research funds. Prairie View is currently excluded from these funds.

C.S.H.B. 870 amends current law relating to Prairie View A&M University's eligibility to participate in the research development fund.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 62.003(1), Education Code, to provide that, except as otherwise provided by Subchapters C (Research University Development Fund), D (Performance Incentive Funding), E (Research Development Fund), F (Texas Research Incentive Program (TRIP)), and G (National Research University Fund), "eligible institution" means the eligible agencies and institutions of higher education listed in Article VII (Education), Section 17(b) (relating to requiring the funds appropriated to be used by certain institutions), of the Constitution of Texas, and any institution or agency of higher education that is later made eligible to participate in the disbursement of funds pursuant to Article VII, Section 17(c) (relating to authorizing institutions)

of higher education to be created at a later date and to be entitled to participate in funding), of the Constitution of Texas.

SECTION 2. Amends Section 62.092(2), Education Code, to redefine "eligible institution" to mean a general academic teaching institution, as defined by Section 61.003 (Definitions), other than The University of Texas at Austin or Texas A&M University, rather than The University of Texas at Austin, Texas A&M University, or Prairie View A&M University.

SECTION 3. Amends Subchapter E, Chapter 62, Education Code, by adding Section 62.0925, as follows:

Sec. 69.0925. ELIGIBILITY OF PRAIRIE VIEW A&M UNIVERSITY. Provides that, notwithstanding Section 62.092(2), Prairie View A&M University is an eligible institution for purposes of eligibility for a distribution from the research development fund under this subchapter for a state fiscal year only if:

(1) the university is not an eligible institution for that fiscal year for purposes of eligibility for an appropriation or distribution from the Texas competitive knowledge fund established under other law; and

(2) the legislature has specifically appropriated to the university for that fiscal year its proportional share of the research development fund in accordance with the methodology prescribed by Section 62.095 (Apportionment of Fund to Eligible Institutions).

SECTION 4. Effective date: upon passage or September 1, 2013.