

BILL ANALYSIS

C.S.S.B. 215
By: Birdwell
Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Texas Higher Education Coordinating Board (Board) plans for statewide higher education needs, aggregates statewide data, coordinates distribution of higher education resources, and serves as a central administrator for certain grant and student financial aid programs. The Board is subject to the Sunset Act and will be abolished on September 1, 2013, unless continued by the Legislature. As a result of its review of the Board, the Sunset Advisory Commission recommended several statutory modifications that are contained in this legislation. The bill also changes the status of the Texas Guaranteed Student Loan Corporation from a public nonprofit corporation to a private nonprofit corporation, transferring a portion of its purpose to the Coordinating Board.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTIONS 14, 15, 16, 18, 26, 27, 42, 44, and 45 of this bill.

ANALYSIS

Requires periodic evaluation of data requests.

C.S.S.B. 215 requires the Board to periodically re-evaluate its rules and policies to ensure the continuing need for data requests it imposes on university systems, institutions of higher education, or private or independent institutions of higher education. C.S.S.B. 215 requires the Board to consult with these entities to identify unnecessary requests and requires the Board to eliminate data requests from its rules and policies that are identified as unnecessary.

Changes eligibility for the B-On-Time Loan Program.

C.S.S.B. 215 limits the eligibility for the B-On-Time Loan Program to general academic teaching institutions except for state colleges, medical and dental units offering baccalaureate degrees, or private institutions offering baccalaureate degrees. The bill removes junior colleges, state colleges, and technical institutions from participation in the B-On-Time Loan Program. The bill also limits the program to students earning baccalaureate degrees and makes conforming changes, including repealing certain subsections.

C.S.S.B. 215 provides instructional language that specifies that changes to the program apply beginning with B-On-Time loans awarded for the 2014-2015 academic year. C.S.S.B. 215 provides that a student who received a B-On-Time loan before the 2014 fall semester may continue to receive loans under the existing law and requirements. The bill requires the Board to adopt rules to administer the change and to notify each student who receives a loan in the 2013-2014 academic year of provisions for the students' ongoing eligibility under the former law.

Changes the status of the Texas Guaranteed Student Loan Corporation, transferring a portion of its purpose to the Coordinating Board.

C.S.S.B. 215 converts the Texas Guaranteed Student Loan Corporation from a public nonprofit corporation to a nonprofit corporation under Chapter 22 of the Business Organizations Code and makes conforming changes, including repealing certain subchapters and sections. The bill

provides for the Corporation to file appropriate certificates with the Secretary of State's office for the conversion on or immediately after a certain date. The bill provides for, and requires the Secretary of State's office to recognize, the continuous existence of the Corporation since the date of its creation.

C.S.S.B. 215 provides that the Corporation continues to serve as the designated guaranty agency for the State of Texas and that student loan borrower information collected, assembled, or maintained by the Corporation is confidential and not subject to public disclosure. The bill transfers language from the Corporation's purpose to the Coordinating Board's purpose, expanding the Board's financial aid duties to include the authority to provide financial aid services and to disseminate post-secondary education awareness information on grant and loan programs and the prevention of student loan default. The bill allows the Board to consult with one or more non-profit entities in providing such services.

Continues the Texas Higher Education Coordinating Board for 12 years.

C.S.S.B. 215 changes the date of the Board's next Sunset review to 2025.

Requires board members with higher education experience and more direct stakeholder input to the board.

C.S.S.B. 215 requires that one-third of the members of the board possess experience in the field of higher education governance and administration, so that the board includes experience from both general academic teaching institutions and public junior colleges or technical institutes. The bill provides that the Governor may consider experience from a private or independent institution of higher education. The bill provides instructional language that specifies that this change only applies to board members appointed after the effective date of the Act.

C.S.S.B. 215 requires the Board to develop and implement a policy to provide, as an item on the Board's agenda at each meeting, an opportunity for public comment before the Board makes a decision on any agenda item.

C.S.S.B. 215 specifies that Chapter 2110 of the Government Code applies to the Board's advisory committees. The bill requires the Board to adopt rules, in compliance with Chapter 2110 of the Government Code, for the use of advisory committees, including rules governing the purpose, tasks, reporting requirements, and abolishment dates of committees. The bill prohibits board members from serving on advisory committees. The bill allows the Board to adopt rules regarding several other factors of advisory committee membership and open meetings. C.S.S.B. 215 requires each advisory committee to report its recommendations directly to the board.

Requires the Board to engage in negotiated rulemaking.

C.S.S.B. 215 requires the Board to engage affected institutions of higher education in negotiated rulemaking if the Board determines that development of a policy, procedure, or rule is likely to be controversial, or if at least one-half of the affected institutions, after notice of a potential policy, procedure or rule is provided to institutions, request negotiated rulemaking and agree to share the costs. The bill requires the Board to determine the sharing of costs of this process by rule. The bill provides that this negotiated rulemaking provision expires September 1, 2017.

Establishes an agency-wide, risk-based compliance monitoring function.

C.S.S.B. 215 requires the Board to consult with affected stakeholders in establishing rules for an agency-wide, risk-based compliance monitoring function to help ensure the proper use of funds allocated by, and the accuracy of data reported to, the Board. The bill requires the Board to audit a reasonable portion of the total funds allocated and data reported, after considering potential risks and the Board's resources, using various levels of monitoring. C.S.S.B. 215 requires the Board to consider certain factors in developing its risk-based approach. The bill requires the Board to train staff to monitor both funds and data and requires other program staff to coordinate with monitoring staff to identify risks and avoid duplication.

C.S.S.B. 215 requires the Board, if it determines that funds have been misused or misallocated,

to present its determination to the institution's governing board, or the chief executive officer of a private institution, and provide an opportunity for response from the institution. The bill requires the Board to report its determination, response from the institution, and any recommendations to the institution's governing board or chief executive officer, the Governor, and the Legislative Budget Board.

C.S.S.B. 215 provides that if the Board determines that an institution included errors in its data reported for formula funding, for a public junior college, it may adjust appropriations made to the college to account for the corrected data. For a general academic teaching institution, medical and dental unit, or public technical institute, the bill requires the Board to calculate a revised appropriation amount and report that amount to the Governor, Legislative Budget Board, and Comptroller for consideration as the basis for budget execution or other appropriate action.

C.S.S.B. 215 authorizes the Board to partner with internal audit offices at institutions of higher education and requires the internal auditor at an institution to notify the Board of any audits it conducts involving funds administered by, or data reported to, the Board. The bill also requires a private institution to notify the Board of any external audits of funds administered by the Board. The bill authorizes the Board to determine the timing and format of the notification by rule. The bill also authorizes the Board to seek technical assistance from the State Auditor in establishing the compliance monitoring function and allows the State Auditor to periodically audit the Board's compliance monitoring function. The bill also defines "desk review," "site visit," and "student financial assistance."

Redefines the Board's powers and duties in statute.

C.S.S.B. 215 replaces existing language defining the Coordinating Board's powers and duties with a more concise list of the agency's major duties. The bill also repeals outdated subsections of §61.051, Education Code, and moves language that is still necessary in statute, but not related to the Board's powers and duties, to new sections of law.

Combines and simplifies requirements for long-range planning.

C.S.S.B. 215 simplifies, combines, and repeals several higher education planning requirements in statute. The bill sets out requirements for the long-range master plan for higher education and requires the Board to establish methods for obtaining input from stakeholders and the general public when developing or revising the plan. C.S.S.B. 215 requires the Board to submit a progress report to the Governor, the Lieutenant Governor, the Speaker of the House of Representatives, and higher education committees by December 1 of each even-numbered year and specifies the contents of the report.

Clarifies the Board's authority relating to academic program approvals.

C.S.S.B. 215 clarifies and repeals several sections of the Board's statute to clearly define its academic program approval authority in one section of law. C.S.S.B. 215 clarifies the Board's authority to approve a new degree or certificate program, and provides that a new degree or certificate program is automatically approved if the Board has not completed a review and acted to approve or disapprove the proposed program within certain timeframes. The bill prohibits the Board from disapproving a program without completing its review. The bill requires the Board to specify, by rule, the elements of a completed application and to make an administrative determination of completeness within certain timeframes. The bill provides that a request for additional information does not toll the period within which the application is considered approved.

C.S.S.B. 215 requires an institution of higher education to notify the Board before carrying out planning for a new degree program and requires that the Board's review takes place at the time an institution requests to implement a degree program. The bill requires the Board, through its review, to ensure a new degree or certificate program meets certain criteria. C.S.S.B. 215 requires the Board to review each degree or certificate program at least every ten years after a new program is established, using certain criteria, and authorizes the Board to review the number of degrees or certificates awarded through a program every four years or more frequently, at the

Board's discretion.

C.S.S.B. 215 prohibits the Board from ordering the consolidation or elimination of a degree or certificate program, but allows the Board to make a recommendation to an institution's governing board based on its periodic 10-year review or its review of the number of degrees or certificates issued. The bill requires an institution or system, if it does not consolidate or eliminate the degree or certificate programs recommended by the Board, to identify those programs in its next legislative appropriations request.

C.S.S.B. 215 requires institutions to obtain prior approval before offering an off-campus course for credit or distance learning course within the state. The bill requires institutions to certify, in reports required by the Board, that a course offered for credit outside of the state meets the Board's academic criteria. The bill removes the Board's approval of an institution's role and mission statement and moves the section requiring an institution to develop a statement regarding its role and mission to another section of law. The bill also requires the Board to evaluate the role and mission of each general academic teaching institution other than a public state college in conjunction with development of its long-range master plan. The bill removes the Board's authority to require institutions to report organizational changes that affect degree programs.

Clarifies the Board's role in identifying best practices.

C.S.S.B. 215 provides for the Board to administer or oversee a program to identify best practices only in cases where funding or other restrictions prevent entities other than the Board from administering the programs. The bill allows the Board to initiate a new pilot project only if other entities are not engaging in similar projects or the initiative cannot be performed by another entity. C.S.S.B. 215 allows the Board to use its position as a statewide coordinator to assist in matching non-profit organizations or grant-funding entities with institutions of higher education or private institutions of higher education to implement proven programs and best practices. The bill allows the Board to compile best practices and strategies resulting from its review of external studies for use in providing technical assistance to institutions and as the basis for the Board's statewide policy recommendations.

Establishes the Student Loan Default Prevention and Financial Aid Literacy Pilot Program.

C.S.S.B. 215 requires the Board to establish and administer a pilot program to ensure students at selected institutions are informed consumers with regard to all aspects of student financial aid and specifies certain aspects of financial aid. The bill requires the Board to select at least one institution from each category of institutions and specifies those categories. The bill requires the Board to give priority to institutions that have a three-year cohort student loan default rate of more than 20 percent or that have above average growth rates. The bill authorizes the Board to adopt rules to administer the program and allows the Board to contract for administration of the pilot program. The bill requires the Board and participating institutions to report to the Governor, Lieutenant Governor, and Speaker of the House regarding outcomes of the program by January 1 of each year beginning in 2016. C.S.S.B. 215 provides that the pilot program expires December 31, 2020. The bill includes an instructional provision requiring the Board to adopt rules as soon as practicable after the Act takes effect, and provides for the Board to adopt initial rules in the manner provided for emergency rules.

Requires financial aid and trustee fund allocation methodologies to be published in rule.

C.S.S.B. 215 requires the Board to establish and publish by rule, allocation methodologies for any funds trustee to the Board for allocation to institutions of higher education or private institutions, and to develop procedures to verify the accuracy of application of those allocation methodologies. The bill also requires the Board to consult with affected stakeholders before adopting rules. The bill includes an instructional provision requiring the Board to adopt rules as soon as practicable after the Act takes effect, and provides for the Board to adopt initial rules in the manner provided for emergency rules.

Consolidates the Advanced Technology Program with the Norman Hackerman Advanced

Research Program.

C.S.S.B. 215 moves several provisions from Chapter 143 to Chapter 142, Education Code, to consolidate the Advanced Technology Program with the Norman Hackerman Advanced Research Program and makes conforming changes to clarify provisions that relate to each program. The bill requires the advisory committee to determine when and to what extent funds appropriated will be allocated to each program, unless the Legislature specifies a division in the General Appropriations Act. The bill repeals provisions related to the Advanced Technology Program that are not consolidated with the Research Program.

Limits Articulation Agreements for Junior Colleges Offering Baccalaureate Degrees.

C.S.S.B. 215 provides that junior colleges offering baccalaureate degrees must enter into articulation agreements with one or more general academic teaching institutions for the first five years of the program.

Removes unnecessary and unfunded programs and reporting requirements from statute.

C.S.S.B. 215 repeals 19 unfunded or unnecessary programs from statute, as listed below, and makes conforming changes.

- Research Assessment Program
- Texas-Mexico Educational Development Program
- Texas-International Educational Development Program
- High Priority Program Fund
- Engineering Excellence Fund
- Engineering and Science Recruitment Fund
- Medical Preparation Program (MedPREP)
- Technology Workforce Development
- Repayment of Certain Physical Therapist Education Loans
- Texas Academy of Foreign Languages and Culture
- Texas Partnership and Scholarship Program
- Early Childhood Child-Care Worker Student Loan Repayment Program
- Roberta High Memorial Pharmacy Residency Program
- Grants for Teaching and Education Research
- Incentive and Special Initiative Funding
- Teacher Training Programs for Teachers of Disadvantaged Students
- Public Senior College or University Cooperative Education Program
- Higher Education Enrollment Assistance Program
- Tuition Assistance for the Vocational Nursing Students Agreeing to Practice in Long-Term Care Facilities

C.S.S.B. 215 repeals the following unnecessary reporting requirements from law: Report on Student Loan Funds, Report on Restricted Research Expenditures, Texas Opportunity Plan Report, and Progress Report on P-16 College Readiness and Success Strategic Action Plan.

C.S.S.B. 215 repeals the following provisions of the Education Code:

- Chapter 144
- Chapter 147
- Chapter 148
- Chapter 152
- Subchapters J, M, Q, and X, Chapter 51
- Subchapters B and D, Chapter 57
- Subchapters K, P, Q, U, and W, Chapter 61
- Section 51.916
- Section 52.17(f)
- Section 52.56
- Section 56.456(d)
- Sections 56.459(c) and (d)

- Sections 57.02(1) and (3)
- Sections 57.41, 57.42, 57.43, 57.44, 57.45, 57.46, 57.461, 57.47, 57.471, 57.481, and 57.50
- Sections 61.051(b), (c), (d), (e), (f), (g), (i), (j), (k), (m), (o), (p), and (q)
- Sections 61.059(i) and (i-1)
- Sections 61.0591, 61.0631, 61.066, 61.0761(d), 61.078, 61.088, 61.660
- Section 62.096(c)
- Sections 143.001, 143.004, 143.005, 143.007, and 143.008.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.S.B. 215 may differ from the engrossed in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the engrossed and committee substitute versions of the bill.

SENATE ENGROSSED

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 61.0511, Education Code, is transferred to Subchapter G, Chapter 51, Education Code, and redesignated as Section 51.359, Education Code.

SECTION 1. Same as engrossed version.

SECTION 2. Section 51.406, Education Code, is amended by adding Subsection (d) to read as follows:

SECTION 2. Section 51.406, Education Code, is amended by adding Subsection (d) to read as follows:

(d) At least every five years, the Texas Higher Education Coordinating Board shall reevaluate its rules and policies to ensure the continuing need for the data requests the coordinating board imposes on university systems, institutions of higher education, or private or independent institutions of higher education. The coordinating board shall engage in negotiated rulemaking under Chapter 2008, Government Code, with those entities in identifying unnecessary requests or ways to streamline those requests. The coordinating board shall eliminate data requests identified as unnecessary from its rules and policies. In this subsection, "private or independent institution of higher education" has the meaning assigned by Section 61.003.

(d) At least every five years, the Texas Higher Education Coordinating Board shall reevaluate its rules and policies to ensure the continuing need for the data requests the coordinating board imposes on university systems, institutions of higher education, or private or independent institutions of higher education. The coordinating board shall consult with those entities to identify unnecessary data requests and shall eliminate data requests identified as unnecessary from its rules and policies.

In this subsection, "private or independent institution of higher education" has the meaning assigned by Section 61.003.

SECTION 3. Subdivisions (2) and (3), Section 56.451, Education Code, are amended.

SECTION 3. Same as engrossed version.

SECTION 4. Subsection (b), Section 56.452,

SECTION 4. Same as engrossed version.

Education Code, is amended.

SECTION 5. Section 56.455, Education Code, is amended.

SECTION 5. Same as engrossed version.

SECTION 6. Subsection (a), Section 56.456, Education Code, is amended.

SECTION 6. Same as engrossed version.

SECTION 7. Subsections (a) and (b), Section 56.459, Education Code, are amended.

SECTION 7. Same as engrossed version.

SECTION 8. Sections 56.461 and 56.462, Education Code, are amended.

SECTION 8. Same as engrossed version.

No equivalent provision.

SECTION 9. Subchapter A, Chapter 57, Education Code, is amended by adding Section 57.011 to read as follows:

Sec. 57.011. STATUS OF TEXAS GUARANTEED STUDENT LOAN CORPORATION. (a) The Texas Guaranteed Student Loan Corporation is converted as provided by this section from a public nonprofit corporation created by general law to a nonprofit corporation under Chapter 22, Business Organizations Code.

(b) On or immediately after September 1, 2013, to effectuate the conversion under Subsection (a), the corporation shall file a certificate of formation with the secretary of state or, if the secretary of state determines it appropriate, the corporation shall file a certificate of conversion under Chapter 10, Business Organizations Code.

(c) The corporation as converted under this section continues in existence uninterrupted from the date of its creation, September 1, 1979. The secretary of state shall recognize the continuous existence of the corporation from that date in the certificate of formation or certificate of conversion, as applicable.

(d) The corporation continues to serve as the designated guaranty agency for the State of Texas under the Higher Education Act of 1965 (20 U.S.C. Section 1001 et seq.).

(e) Student loan borrower information collected, assembled, or maintained by the corporation is confidential and is not subject to public disclosure.

No equivalent provision.

SECTION 10. Section 57.01, Education

Code, is transferred to Section 61.002, Education Code, redesignated as Subsection (c), Section 61.002, Education Code, and amended to read as follows:

~~(c) _____ Postsecondary [Sec. _____ 57.01. DECLARATION OF POLICY. _____ The legislature, giving due consideration to the historical and continuing interest of the people of the State of Texas in encouraging deserving and qualified persons to realize their aspirations for education beyond high school, finds and declares that postsecondary] education for qualified Texans [~~those~~] who desire to pursue such [~~an~~] education [~~and are properly qualified therefor~~] is important to the welfare and security of this state and the nation and, consequently, is an important public purpose. The legislature finds and declares that the state can achieve its full economic and social potential only if every individual has the opportunity to contribute to the full extent of the individual's [~~his or her~~] capabilities and only when financial barriers to the individual's [~~his or her~~] economic, social, and educational goals are removed. In order to facilitate the removal of those barriers, the board, in consultation with one or more nonprofit entities with experience providing the services on a statewide basis, may [~~It is, therefore, the purpose of this chapter to establish the Texas Guaranteed Student Loan Corporation to:~~ (1) ~~administer a guaranteed student loan program to assist qualified Texas students in receiving a postsecondary education in this state or elsewhere in the nation; and~~ (2) ~~provide necessary and desirable services related to~~ financial aid services [~~the loan program~~], including cooperative awareness efforts with appropriate educational and civic associations designed to disseminate postsecondary education awareness information, including information regarding available grant and loan programs and [~~student financial aid and the Federal Family Education Loan Program, and other relevant topics including~~] the prevention of student loan default.~~

SECTION 9. Section 61.0211, Education Code, is amended.

SECTION 11. Same as engrossed version.

No equivalent provision.

SECTION 12. Subsection (a), Section 61.022, Education Code, is amended to read

as follows:

(a) The board shall consist of nine members appointed by the governor so as to provide representation from all areas of the state with the advice and consent of the senate, and as the constitution provides. One-third of the members must possess experience in the field of higher education governance or administration so that the board includes experience from both general academic teaching institutions and public junior colleges or public technical institutes. In making an appointment under this section, the governor may consider appointing a person with experience in higher education governance or administration from a private or independent institution of higher education. Members of the board serve staggered six-year terms. The terms of one-third of the members expire August 31 of each odd-numbered year.

SECTION 10. Subsection (d), Section 61.025, Education Code, is amended.

SECTION 13. Same as engrossed version.

SECTION 11. Section 61.026, Education Code, is amended.

SECTION 14. Same as engrossed version.

SECTION 12. Section 61.033, Education Code, is amended to read as follows:

No equivalent provision.

Sec. 61.033. ~~[NEGOTIATED RULEMAKING;]~~ ALTERNATIVE

DISPUTE RESOLUTION. (a) The board shall develop and implement a policy to encourage the use of[:

~~[(1) negotiated rulemaking procedures under Chapter 2008, Government Code, for the adoption of board rules; and~~

~~[(2)]~~ appropriate alternative dispute resolution procedures under Chapter 2009, Government Code, to assist in the resolution of internal and external disputes under the board's jurisdiction.

(b) The board's procedures relating to alternative dispute resolution must conform, to the extent possible, to any model guidelines issued by the State Office of Administrative Hearings for the use of alternative dispute resolution by state agencies.

(c) The board shall designate a trained person to[:

~~[(1) coordinate the implementation of the policy adopted under Subsection (a);~~

~~[(2)]~~ serve as a resource for any training needed to implement the procedures for negotiated rulemaking or alternative dispute resolution~~[- and~~

~~[(3)]~~ collect data concerning the effectiveness of those procedures, as implemented by the board].

SECTION 13. Subchapter B, Chapter 61, Education Code, is amended by adding Section 61.0331 to read as follows:

Sec. 61.0331. NEGOTIATED RULEMAKING REQUIRED. If the board is required by this code or other law to consult or cooperate with institutions of higher education in the development of a policy, procedure, or rule, the board must engage the institutions in a negotiated rulemaking process as described by Chapter 2008, Government Code, before the policy, procedure, or rule may take effect.

SECTION 14. Subchapter B, Chapter 61, Education Code, is amended by adding Section 61.035 to read as follows:

Sec. 61.035. COMPLIANCE MONITORING. (a) The board by a negotiated rulemaking process in accordance with Chapter 2008, Government Code, shall establish an agency-wide, risk-based compliance monitoring function for:

(1) funds allocated by the board to institutions of higher education, private or independent institutions of higher education, and other entities, including student financial assistance funds, academic support grants, and any other grants, to ensure that those funds are distributed in accordance with applicable law and board rule; and

(2) data reported by institutions of higher education to the board and used by the board for funding or policymaking decisions, including data used for formula funding allocations, to ensure the data is reported accurately.

SECTION 15. Subchapter B, Chapter 61, Education Code, is amended by adding Section 61.0331 to read as follows:

Sec. 61.0331. NEGOTIATED RULEMAKING REQUIRED. (a) The board shall engage affected institutions of higher education in a negotiated rulemaking process as described by Chapter 2008, Government Code, if:

(1) at any time the board determines that the development of a policy, procedure, or rule is likely to be controversial; or

(2) not later than the 15th day after the date notice of a potential policy, procedure, or rule is provided to the affected institutions, in the Texas Register or otherwise, at least one-half of the affected institutions request negotiated rulemaking and agree to share the costs of the process, including those of the facilitator.

(b) The board shall determine the sharing of costs under this section by rule.

(c) This section expires September 1, 2017.

SECTION 16. Subchapter B, Chapter 61, Education Code, is amended by adding Section 61.035 to read as follows:

Sec. 61.035. COMPLIANCE MONITORING. (a) The board, in consultation with affected stakeholders, shall adopt rules to establish an agency-wide, risk-based compliance monitoring function for:

(1) funds allocated by the board to institutions of higher education, private or independent institutions of higher education, and other entities, including student financial assistance funds, academic support grants, and any other grants, to ensure that those funds are distributed in accordance with applicable law and board rule; and

(2) data reported by institutions of higher education to the board and used by the board for funding or policymaking decisions, including data used for formula funding allocations, to ensure the data is reported accurately.

(b) For purposes of this section, student financial assistance includes grants, scholarships, loans, and work-study.

(c) After considering potential risks and the board's resources, the board shall review a reasonable portion of the total funds allocated by the board and of data reported to the board. The board shall use various levels of monitoring, according to risk, ranging from checking reported data for errors and inconsistencies to conducting comprehensive audits, including site visits.

(d) In developing the board's risk-based approach to compliance monitoring under this section, the board shall consider the following factors relating to an institution of higher education or private or independent institution of higher education:

(1) the amount of student financial assistance or grant funds allocated to the institution by the board;

(2) whether the institution is required to obtain and submit an independent audit;

(3) the institution's internal controls;

(4) the length of time since the institution's last desk review or site visit;

(5) past misuse of funds or misreported data by the institution;

(6) in regard to data verification, whether the data reported to the board by the institution is used for determining funding allocations; and

(7) other factors as considered appropriate by the board.

(e) The board shall train compliance monitoring staff to ensure that the staff has the ability to monitor both funds compliance and data reporting accuracy. Program staff in other board divisions who conduct limited monitoring and contract administration shall coordinate with the compliance monitoring function to identify risks and avoid duplication.

(f) If the board determines through its compliance monitoring function that funds awarded by the board to an institution of higher education or private or independent institution of higher education have been misused or misallocated by the institution, the board shall present its determination to the institution's governing board and provide an opportunity for a response from the institution.

Following the opportunity for response, the board shall report its determination and the

(b) For purposes of this section, student financial assistance includes grants, scholarships, loans, and work-study.

(c) After considering potential risks and the board's resources, the board shall review a reasonable portion of the total funds allocated by the board and of data reported to the board. The board shall use various levels of monitoring, according to risk, ranging from checking reported data for errors and inconsistencies to conducting comprehensive audits, including site visits.

(d) In developing the board's risk-based approach to compliance monitoring under this section, the board shall consider the following factors relating to an institution of higher education or private or independent institution of higher education:

(1) the amount of student financial assistance or grant funds allocated to the institution by the board;

(2) whether the institution is required to obtain and submit an independent audit;

(3) the institution's internal controls;

(4) the length of time since the institution's last desk review or site visit;

(5) past misuse of funds or misreported data by the institution;

(6) in regard to data verification, whether the data reported to the board by the institution is used for determining funding allocations; and

(7) other factors as considered appropriate by the board.

(e) The board shall train compliance monitoring staff to ensure that the staff has the ability to monitor both funds compliance and data reporting accuracy. Program staff in other board divisions who conduct limited monitoring and contract administration shall coordinate with the compliance monitoring function to identify risks and avoid duplication.

(f) If the board determines through its compliance monitoring function that funds awarded by the board to an institution of higher education or private or independent institution of higher education have been misused or misallocated by the institution, the board shall present its determination to the institution's governing board, or to the institution's chief executive officer if the institution is a private or independent institution of higher education, and provide an opportunity for a response from the institution. Following the opportunity for response, the board shall report its

institution's response, together with any recommendations, to the institution's governing board, the governor, and the Legislative Budget Board.

(g) If the board determines through its compliance monitoring function that an institution of higher education has included errors in the institution's data reported for formula funding, the board:

(1) for a public junior college, may adjust the appropriations made to the college for a fiscal year as necessary to account for the corrected data; and

(2) for a general academic teaching institution, a medical and dental unit, or a public technical institute, shall calculate a revised appropriation amount for the applicable fiscal year based on the corrected data and report that revised amount to the governor and Legislative Budget Board for consideration as the basis for budget execution or other appropriate action, and to the comptroller.

(h) In conducting the compliance monitoring function under this section, the board may partner with internal audit offices at institutions of higher education and private or independent institutions of higher education, as institutional resources allow, to examine the institutions' use of funds allocated by, and data reported to, the board. To avoid duplication of effort and assist the board in identifying risk, an internal auditor at an institution shall notify the board of any audits conducted by the auditor involving funds administered by the board or data reported to the board. The board by rule may determine the timing and format of the notification required by this subsection.

(i) The board may seek technical assistance from the state auditor in establishing the compliance monitoring function under this section. The state auditor may periodically audit the board's compliance monitoring function as the state auditor considers appropriate.

(j) In this section:

(1) "Desk review" means an administrative review by the board that is based on information reported by an institution of higher education or private or independent institution of higher education, including

determination and the institution's response, together with any recommendations, to the institution's governing board or chief executive officer, as applicable, the governor, and the Legislative Budget Board.

(g) If the board determines through its compliance monitoring function that an institution of higher education has included errors in the institution's data reported for formula funding, the board:

(1) for a public junior college, may adjust the appropriations made to the college for a fiscal year as necessary to account for the corrected data; and

(2) for a general academic teaching institution, a medical and dental unit, or a public technical institute, shall calculate a revised appropriation amount for the applicable fiscal year based on the corrected data and report that revised amount to the governor and Legislative Budget Board for consideration as the basis for budget execution or other appropriate action, and to the comptroller.

(h) In conducting the compliance monitoring function under this section, the board may partner with internal audit offices at institutions of higher education and private or independent institutions of higher education, as institutional resources allow, to examine the institutions' use of funds allocated by, and data reported to, the board. To avoid duplication of effort and assist the board in identifying risk, an internal auditor at an institution shall notify the board of any audits conducted by the auditor involving funds administered by the board or data reported to the board. A private or independent institution of higher education shall notify the board of any external audits involving funds administered by the board. The board by rule may determine the timing and format of the notification required by this subsection.

(i) The board may seek technical assistance from the state auditor in establishing the compliance monitoring function under this section. The state auditor may periodically audit the board's compliance monitoring function as the state auditor considers appropriate.

(j) In this section:

(1) "Desk review" means an administrative review by the board that is based on information reported by an institution of higher education or private or independent institution of higher education, including

supplemental information required by the board for the purposes of compliance monitoring, except that the term does not include information or accompanying notes gathered by the board during a site visit.

(2) "Site visit" means an announced or unannounced in-person visit by a representative of the board to an institution of higher education or private or independent institution of higher education for the purposes of compliance monitoring.

SECTION 15. Section 61.051, Education Code, is amended.

SECTION 16. Section 61.0512, Education Code, is amended to read as follows:

Sec. 61.0512. BOARD APPROVAL OF ACADEMIC [NEW DEGREE] PROGRAMS[; NOTIFICATION TO BOARD]. (a) A new degree or certificate program may be added at an institution of higher education only with specific prior approval of the board. A new degree or certificate program is considered approved if the board has not completed a review under this section and acted to approve or disapprove the proposed program before the first anniversary of the date on which an institution of higher education submits a completed application to the board. The board may not summarily disapprove a program without completing the review required by this section. The board shall specify by rule the elements that constitute a completed application and shall make an administrative determination of the completeness of the application not later than the fifth business day after receiving the application. A request for additional information in support of an application that has been determined administratively complete does not toll the period within which the application is considered approved under this section. The board may not summarily disapprove a program without completing the review required by this section.

(b) At the time an institution of higher education [a public senior college or university] begins preliminary planning for a new degree program [or a new organizational unit to administer a new degree program], the institution must [college or university shall]

supplemental information required by the board for the purposes of compliance monitoring, except that the term does not include information or accompanying notes gathered by the board during a site visit.

(2) "Site visit" means an announced or unannounced in-person visit by a representative of the board to an institution of higher education or private or independent institution of higher education for the purposes of compliance monitoring.

SECTION 17. Same as engrossed version.

SECTION 18. Section 61.0512, Education Code, is amended to read as follows:

Sec. 61.0512. BOARD APPROVAL OF ACADEMIC [NEW DEGREE] PROGRAMS[; NOTIFICATION TO BOARD]. (a) A new degree or certificate program may be added at an institution of higher education only with specific prior approval of the board. A new degree or certificate program is considered approved if the board has not completed a review under this section and acted to approve or disapprove the proposed program before the first anniversary of the date on which an institution of higher education submits a completed application for approval to the board. The board may not summarily disapprove a program without completing the review required by this section. The board shall specify by rule the elements that constitute a completed application and shall make an administrative determination of the completeness of the application not later than the fifth business day after receiving the application. A request for additional information in support of an application that has been determined administratively complete does not toll the period within which the application is considered approved under this section.

(b) At the time an institution of higher education [a public senior college or university] begins preliminary planning for a new degree program [or a new organizational unit to administer a new degree program], the institution must [college or university shall]

~~notify the board before the institution may carry out that planning[. In the implementation of this subsection, the board may not require additional reports from the institutions].~~

(c) The board shall review each degree or certificate program offered by an institution of higher education at the time the institution requests to implement a new program to ensure that the program:

(1) is needed by the state and the local community and does not unnecessarily duplicate programs offered by other institutions of higher education or private or independent institutions of higher education;

(2) has adequate financing from legislative appropriation, funds allocated by the board, or funds from other sources;

(3) has necessary faculty and other resources to ensure student success; and

(4) meets academic standards specified by law or prescribed by board rule, including rules adopted by the board for purposes of this section, or workforce standards established by the Texas Workforce Investment Council.

(d) The board may review the number of degrees or certificates awarded through a degree or certificate program every four years or more frequently, at the board's discretion.

(e) The board shall review each degree or certificate program offered by an institution of higher education at least every 10 years after a new program is established using the criteria prescribed by Subsection (c).

(f) The board may not order the consolidation or elimination of any degree or certificate program offered by an institution of higher education but may, based on the board's review under Subsections (d) and (e), recommend such action to an institution's governing board. If an institution's governing board does not accept recommendations to consolidate or eliminate a degree or certificate program, the university system or, where a system does not exist, the institution, must identify the programs recommended for consolidation or elimination on the next legislative appropriations request submitted by the system or institution.

(g) An institution of higher education may offer off-campus courses for credit within the state or distance learning courses only with specific prior approval of the board. An institution must certify to the board that a course offered for credit outside the state

~~notify the board before the institution may carry out that planning[. In the implementation of this subsection, the board may not require additional reports from the institutions].~~

(c) The board shall review each degree or certificate program offered by an institution of higher education at the time the institution requests to implement a new program to ensure that the program:

(1) is needed by the state and the local community and does not unnecessarily duplicate programs offered by other institutions of higher education or private or independent institutions of higher education;

(2) has adequate financing from legislative appropriation, funds allocated by the board, or funds from other sources;

(3) has necessary faculty and other resources to ensure student success; and

(4) meets academic standards specified by law or prescribed by board rule, including rules adopted by the board for purposes of this section, or workforce standards established by the Texas Workforce Investment Council.

(d) The board may review the number of degrees or certificates awarded through a degree or certificate program every four years or more frequently, at the board's discretion.

(e) The board shall review each degree or certificate program offered by an institution of higher education at least every 10 years after a new program is established using the criteria prescribed by Subsection (c).

(f) The board may not order the consolidation or elimination of any degree or certificate program offered by an institution of higher education but may, based on the board's review under Subsections (d) and (e), recommend such action to an institution's governing board. If an institution's governing board does not accept recommendations to consolidate or eliminate a degree or certificate program, the university system or, where a system does not exist, the institution, must identify the programs recommended for consolidation or elimination on the next legislative appropriations request submitted by the system or institution.

(g) An institution of higher education may offer off-campus courses for credit within the state or distance learning courses only with specific prior approval of the board. An institution must certify to the board that a course offered for credit outside the state

meets the board's academic criteria. An institution shall include the certification in submitting any other reports required by the board.

meets the board's academic criteria. An institution shall include the certification in submitting any other reports required by the board.

SECTION 17. The heading to Section 61.055, Education Code, is amended.

SECTION 19. Same as engrossed version.

SECTION 18. Subsection (a), Section 61.055, Education Code, is amended.

SECTION 20. Same as engrossed version.

SECTION 19. Subsection (l), Section 61.051, Education Code, is transferred to Subchapter C, Chapter 61, Education Code, redesignated as Section 61.0571, Education Code, and amended.

SECTION 21. Same as engrossed version.

SECTION 20. Subsection (n), Section 61.051, Education Code, is transferred to Section 61.0571, Education Code, as added by this Act, and redesignated as Subsection (b), Section 61.0571, Education Code.

SECTION 22. Same as engrossed version.

SECTION 21. Subsection (a-4), Section 61.051, Education Code, is transferred to Subchapter C, Chapter 61, Education Code, redesignated as Section 61.0661, Education Code, and amended.

SECTION 23. Same as engrossed version.

SECTION 22. Subsection (h), Section 61.051, Education Code, is transferred to Subchapter C, Chapter 61, Education Code, redesignated as Section 61.0662, Education Code, and amended.

SECTION 24. Same as engrossed version.

SECTION 23. Subchapter C, Chapter 61, Education Code, is amended.

SECTION 25. Same as engrossed version.

SECTION 24. Subchapter C, Chapter 61, Education Code, is amended.

SECTION 26. Substantially the same as engrossed version.

SECTION 25. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.07761 to read as follows:

Sec. 61.07761. FINANCIAL AID AND OTHER TRUSTEED FUNDS ALLOCATION. (a) For any funds trustee
d to the board for allocation to institutions of higher education and private or independent institutions of higher education, including financial aid program funds, the board by rule

SECTION 27. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.07761 to read as follows:

Sec. 61.07761. FINANCIAL AID AND OTHER TRUSTEED FUNDS ALLOCATION. (a) For any funds trustee
d to the board for allocation to institutions of higher education and private or independent institutions of higher education, including financial aid program funds, the board by rule

shall:

(1) establish and publish the allocation methodologies; and

(2) develop procedures to verify the accuracy of the application of those allocation methodologies by board staff.

(b) The board shall engage in negotiated rulemaking as described by Chapter 2008, Government Code, in adopting rules under this section.

SECTION 26. The heading to Section 61.822, Education Code, is amended.

SECTION 27. Section 61.822, Education Code, is amended.

No equivalent provision.

No equivalent provision.

No equivalent provision.

shall:

(1) establish and publish the allocation methodologies; and

(2) develop procedures to verify the accuracy of the application of those allocation methodologies by board staff.

(b) The board shall consult with affected stakeholders before adopting rules under this section.

SECTION 28. Same as engrossed version.

SECTION 29. Same as engrossed version.

SECTION 30. The heading to Chapter 142, Education Code, is amended to read as follows:

CHAPTER 142. NORMAN HACKERMAN ADVANCED RESEARCH PROGRAM; ADVANCED TECHNOLOGY PROGRAM

SECTION 31. Section 142.001, Education Code, is amended by amending Subdivisions (1) and (4) and adding Subdivisions (1-a) and (6) to read as follows:

(1) "Applied research" means research directed at gaining the knowledge or understanding necessary to meet a specific and recognized need, including the discovery of new scientific knowledge that has specific objectives relating to products or processes.

(1-a) "Basic research" means research the primary object of which is to gain a fuller fundamental knowledge of the subject under study.

(4) "Research program [Program]" means the Norman Hackerman advanced research program established under this chapter.

(6) "Technology program" means the advanced technology program established under this chapter.

SECTION 32. The heading to Section 142.002, Education Code, is amended to read as follows:

Sec. 142.002. NORMAN HACKERMAN ADVANCED RESEARCH PROGRAM; PURPOSE.

No equivalent provision.

SECTION 33. Section 143.002, Education Code, is transferred to Chapter 142, Education Code, redesignated as Section 142.0025, Education Code, and amended to read as follows:

Sec. 142.0025 [~~143.002~~]. ADVANCED TECHNOLOGY PROGRAM [~~ESTABLISHMENT~~]; PURPOSE. (a) It is essential to the state's economic growth that the state [~~it~~] exploit the potential of technology to advance the development and growth of technology and that industry be promoted and expanded. The advanced technology program is established as a means to accomplish this purpose.

(b) Providing appropriated funds to faculty members of institutions of higher education [~~public~~] and private or independent institutions of higher education to conduct applied research is important to the state's welfare and, consequently, is an important public purpose for the expenditure of public funds because the applied research will enhance the state's economic growth by:

- (1) educating the state's scientists and engineers;
- (2) creating new products and production processes; and
- (3) contributing to the application of science and technology to state businesses.

No equivalent provision.

SECTION 34. Section 142.003, Education Code, is amended to read as follows:

Sec. 142.003. ADMINISTRATION; GUIDELINES AND PROCEDURES. (a) The coordinating board shall administer the technology program and the research program.

(b) The coordinating board shall appoint an advisory committee that consists of experts in the specified research areas of both programs to advise the coordinating board regarding the coordinating board's development of research priorities, guidelines, and procedures for the selection of specific projects at eligible institutions.

(c) The guidelines and procedures developed for the research program by the coordinating board must:

- (1) provide for awards on a competitive, peer review basis for specific projects at eligible institutions; and
- (2) require that, as a condition of receiving an

award, an eligible institution must use a portion of the award to support, in connection with the project for which the award is made, basic research conducted by:

(A) graduate or undergraduate students, if the eligible institution is a medical and dental unit; or

(B) undergraduate students, if the eligible institution is any other eligible institution [~~of higher education~~].

(d) The guidelines and procedures developed for the technology program by the coordinating board must:

(1) provide for determining whether an institution of higher education or private or independent institution of higher education qualifies as an eligible institution for the purposes of the technology program by demonstrating exceptional capability to attract federal, state, and private funding for scientific and technical research and having an exceptionally strong research staff and the necessary equipment and facilities; and

(2) provide for awards on a competitive, peer review basis for specific projects at eligible institutions.

(e) The coordinating board shall encourage projects under the technology program that leverage funds from other sources and projects that propose innovative, collaborative efforts:

(1) across academic disciplines;

(2) among two or more eligible institutions;
or

(3) between an eligible institution or institutions and private industry.

No equivalent provision.

SECTION 35. Section 143.003, Education Code, is transferred to Chapter 142, Education Code, redesignated as Section 142.0035, Education Code, and amended to read as follows:

Sec. 142.0035 [~~143.003~~]. TECHNOLOGY PROGRAM: PRIORITY RESEARCH AREAS. The technology program may provide support for faculty members to conduct research in areas determined by an advisory panel appointed by the coordinating board. Initial research areas shall include: agriculture, biotechnology, biomedicine, energy, environment, materials science, microelectronics, aerospace, marine science, aquaculture, telecommunications, manufacturing science, environmental issues affecting the Texas-Mexico border region, the

reduction of industrial, agricultural, and domestic water use, recycling, and related disciplines. The advisory committee appointed under Section 142.003(b) [~~panel~~] may add or delete priority research areas as the advisory committee [~~panel~~] considers warranted.

No equivalent provision.

SECTION 36. Section 142.004, Education Code, is amended by amending Subsections (a) and (c) and adding Subsections (c-1) and (f) to read as follows:

(a) The programs created under this chapter are [~~program is~~] funded by appropriations and by gifts, grants, and donations made for purposes of each [~~the~~] program.

(c) The funds allocated [~~appropriated~~] for the research program may be expended to support the particular projects for which an award is made and may not be expended for the general support of ongoing research at an eligible institution or for the construction or remodeling of a facility.

(c-1) The funds allocated for the technology program may be:

(1) expended to support particular research projects for which an award is made, and may not be expended for the general support of ongoing research and instruction at an eligible institution or for the construction or remodeling of a facility; and

(2) used to match a grant provided by private industry for a particular collaborative research project with an eligible institution.

(f) The advisory committee appointed under Section 142.003(b) shall determine when and to what extent funds appropriated under this chapter will be allocated to each program under this chapter unless the legislature specifies a division in the General Appropriations Act.

No equivalent provision.

SECTION 37. Sections 142.006 and 142.007, Education Code, are amended to read as follows:

Sec. 142.006. MERIT REVIEW. (a) The coordinating board shall appoint a committee that consists of experts in the specified research areas to evaluate the research program's effectiveness and report its findings to the coordinating board not later than January 31 of each odd-numbered year.

(b) The coordinating board shall appoint a committee consisting of representatives of

higher education and private enterprise advanced technology research organizations to evaluate the technology program's effectiveness and report its findings to the coordinating board not later than January 31 of each odd-numbered year.

Sec. 142.007. CONFIDENTIALITY. Information submitted as part of a pre-proposal or proposal or related to the evaluation and selection of research projects to be funded by the research program or technology program is confidential unless made public by coordinating board rule.

No equivalent provision.

SECTION 38. Section 143.0051, Education Code, is transferred to Chapter 142, Education Code, and redesignated as Section 142.009, Education Code, to read as follows:

Sec. 142.009 [~~143.0051~~]. APPLIED RESEARCH FOR CLEAN COAL PROJECT AND OTHER PROJECTS FOR ELECTRICITY GENERATION. The

coordinating board shall use money available for the purpose from legislative appropriations, including gifts, grants, and donations, to support at one or more eligible institutions applied research related to:

- (1) the development, construction, and operation in this state of a clean coal project, as defined by Section 5.001, Water Code; or
- (2) electricity generation using lignite coal deposits in this state or integrated gasification combined cycle technology.

SECTION 28. Subsection (f), Section 130.0012, Education Code, is amended.

SECTION 39. Same as engrossed version.

SECTION 29. Subsection (f), Section 42.0421, Human Resources Code, as added by Chapter 82 (S.B. 265), Acts of the 82nd Legislature, Regular Session, 2011, is amended.

SECTION 40. Same as engrossed version.

SECTION 30. The following provisions of the Education Code are repealed:

- (1) Chapters 143, 144, 147, 148, and 152;
- (2) Subchapters J, M, Q, and X, Chapter 51;
- (3) Subchapters K, P, Q, U, and W, Chapter 61;
- (4) Section 51.916; Subsection (f), Section 52.17; Section 52.56; Subsection (d), Section

SECTION 41. The following provisions of the Education Code are repealed:

- (1) Chapters 144, 147, 148, and 152;
- (2) Subchapters J, M, Q, and X, Chapter 51;
- (3) ~~Subchapters B and D, Chapter 57;~~
- (4) Subchapters K, P, Q, U, and W, Chapter 61;
- (5) Section 51.916; Subsection (f), Section 52.17; Section 52.56; Subsection (d), Section

56.456; and Subsections (c) and (d), Section 56.459;

(5) Subsections (b), (c), (d), (e), (f), (g), (i), (j), (k), (m), (o), (p), and (q), Section 61.051; and

(6) Subsections (i) and (i-1), Section 61.059; Sections 61.0591, 61.0631, and 61.066; Subsection (d), Section 61.0761; Sections 61.078, 61.088, and 61.660; and Subsection (c), Section 62.096.

SECTION 31. (a) The change in law made by this Act in amending Subchapter Q, Chapter 56, Education Code, applies beginning with Texas B-On-time loans awarded for the 2014-2015 academic year.

(b) Notwithstanding Subsection (a) of this section, a student who first receives a Texas B-On-time loan for a semester or other academic term before the 2014 fall semester may continue to receive Texas B-On-time loans under Subchapter Q, Chapter 56, Education Code, as that subchapter existed immediately before the effective date of this Act, as long as the student remains eligible for a Texas B-On-time loan under the former law, and is entitled to obtain forgiveness of the loans as permitted by Section 56.462, Education Code, as that section existed immediately before the effective date of this Act. The Texas Higher Education Coordinating Board shall adopt rules to administer this subsection and shall notify each student who receives a Texas B-On-time loan in the 2013-2014 academic year of the provisions of this subsection.

No equivalent provision.

56.456; and Subsections (c) and (d), Section 56.459;

(6) Subdivisions (1) and (3), Section 57.02; (7) Sections 57.41, 57.42, 57.43, 57.44, 57.45, 57.46, 57.461, 57.47, 57.471, 57.481, and 57.50;

(8) Subsections (b), (c), (d), (e), (f), (g), (i), (j), (k), (m), (o), (p), and (q), Section 61.051;

(9) Subsections (i) and (i-1), Section 61.059; Sections 61.0591, 61.0631, and 61.066; Subsection (d), Section 61.0761; Sections 61.078, 61.088, and 61.660; and Subsection (c), Section 62.096; and

(10) Sections 143.001, 143.004, 143.005, 143.007, and 143.008.

SECTION 42. Same as engrossed version.

SECTION 43. The change in law made by Subsection (a), Section 61.022, Education Code, as amended by this Act, regarding the qualifications of members of the Texas Higher Education Coordinating Board does not affect the entitlement of a member serving on the coordinating board immediately before the effective date of this Act to continue to serve as a member of the coordinating board for the remainder of the member's term. As the terms of coordinating board members

expire, the governor shall appoint or reappoint a member who has the required experience until the composition of the coordinating board meets the requirements under Subsection (a), Section 61.022, Education Code, as amended by this Act.

SECTION 32. The Texas Higher Education Coordinating Board shall adopt rules for the administration of Section 61.0763, Education Code, as added by this Act, as soon as practicable after this Act takes effect. For that purpose, the coordinating board may adopt the initial rules in the manner provided by law for emergency rules.

SECTION 44. Same as engrossed version.

SECTION 33. The Texas Higher Education Coordinating Board shall adopt rules as required by Section 61.07761, Education Code, as added by this Act, as soon as practicable after this Act takes effect. For that purpose, the coordinating board may adopt the initial rules in the manner provided by the law for emergency rules.

SECTION 45. Same as engrossed version.

SECTION 34. This Act takes effect September 1, 2013.

SECTION 46. Same as engrossed version.