

AN ACT

relating to the qualification of certain nonprofit schools and educational institutions for exemption from state laws regulating career schools and colleges and to complaints made against those entities.

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

SECTION 1. Section 132.002, Education Code, is amended by adding Subsections (d-1), (h), (i), (j), and (k) to read as follows:

(d-1) A school or educational institution exempted from this chapter is authorized to offer training in this state allowed by the exemption.

(h) A school or educational institution that participates or intends to participate in student financial aid programs under Title IV, Higher Education Act of 1965 (20 U.S.C. Section 1070 et seq.), may not be exempted from this chapter by the commission on the basis of Subsection (a)(2) unless the school or institution demonstrates to the commission that:

(1) either:

(A) the school or institution is accredited by a regional or national accrediting organization recognized by the United States secretary of education; or

(B) the school or institution, or the primary campus of the school or institution, has been operating continuously in this state for at least 20 years in compliance with

1 state career school regulatory requirements, regardless of the
2 amount of time the current owner has owned the school or
3 institution; or

4 (2) the school or institution:

5 (A) is owned, controlled, operated, and
6 maintained by a religious organization lawfully operating as a
7 nonprofit religious corporation; and

8 (B) awards only degrees or certificates relating
9 to religion, including a certificate of Talmudic studies, an
10 associate of biblical studies degree, a master of divinity degree,
11 or a doctor of divinity degree.

12 (i) For purposes of Subsection (h)(1)(B), "primary campus"
13 means, for two or more schools or educational institutions that are
14 owned and operated by the same owner, the school or educational
15 institution designated by the owner as the main or principal
16 campus.

17 (j) A school or educational institution may demonstrate
18 compliance with Subsection (h):

19 (1) through the application process under Subsection
20 (d); or

21 (2) if the school or institution has previously been
22 granted an exemption from this chapter and the most recent
23 exemption was granted before June 30, 2013, by an affidavit
24 submitted to the commission by the owner of the school or
25 institution.

26 (k) The Texas Higher Education Coordinating Board shall
27 take appropriate action, including by making appropriate referrals

1 to an accrediting agency or to the attorney general, to address any
2 complaint received by the coordinating board from a student or
3 prospective student of a school or institution to which Subsection
4 (h) applies that is:

5 (1) exempted from this chapter on the basis of
6 Subsection (a)(2); and

7 (2) subject to regulation by the coordinating board.

8 SECTION 2. This Act takes effect immediately if it receives
9 a vote of two-thirds of all the members elected to each house, as
10 provided by Section 39, Article III, Texas Constitution. If this
11 Act does not receive the vote necessary for immediate effect, this
12 Act takes effect September 1, 2013.

President of the Senate

Speaker of the House

I certify that H.B. No. 2000 was passed by the House on May 2, 2013, by the following vote: Yeas 145, Nays 2, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2000 on May 24, 2013, by the following vote: Yeas 141, Nays 3, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2000 was passed by the Senate, with amendments, on May 22, 2013, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor