

By: Howard

H.B. No. 2689

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a study regarding state formula funding for
3 health-related institutions and general academic teaching
4 institutions.

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

6 SECTION 1. Section 61.059, Education Code, is amended by
7 adding Subsection (p) to read as follows:

8 (p) The Legislative Budget Board shall study and evaluate
9 the practice of using a funding formula for health-related
10 institutions that is different from the funding formula used for
11 general academic teaching institutions. In the study, the
12 Legislative Budget Board shall consider the historical reasons for
13 and the benefits and disadvantages of using different formulas, the
14 benefits and disadvantages of using varying weights, models,
15 scales, and rates for the two formulas, and the effects of current
16 formula funding on economies of scale at affected institutions.
17 The report must include any recommendation of the Legislative
18 Budget Board for legislative or administrative action, including
19 changes in formula funding methodology for health-related
20 institutions or general academic teaching institutions and other
21 changes necessary to promote efficiency and effectiveness in the
22 use of appropriated money to fund health profession education in
23 this state. A recommendation under this subsection must include an
24 explanation of the basis for the recommendation. Not later than

1 December 1, 2014, the Legislative Budget Board shall submit a copy
2 of the report required by this subsection to the board and to the
3 governor, lieutenant governor, and speaker of the house of
4 representatives. This subsection expires January 31, 2015.

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