

By: Birdwell, Nichols

S.B. No. 215

A BILL TO BE ENTITLED

AN ACT

relating to the continuation and functions of the Texas Higher Education Coordinating Board.

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

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

Sec. 51.359 [~~61.0511~~]. ROLE AND MISSION STATEMENT. Each institution of higher education shall develop a statement regarding the role and mission of the institution reflecting the three missions of higher education: teaching, research, and public service.

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

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

3 SECTION 3. Subdivisions (2) and (3), Section 56.451,
4 Education Code, are amended to read as follows:

5 (2) "Eligible institution" means:

6 (A) a general academic teaching institution,
7 other than a public state college [~~an institution of higher~~
8 ~~education~~]; [~~or~~]

9 (B) a medical and dental unit that offers
10 baccalaureate degrees; or

11 (C) a private or independent institution of
12 higher education that offers baccalaureate degree programs.

13 (3) "General academic teaching institution," "medical
14 and dental unit," "private or independent institution of higher
15 education," and "public state [~~junior~~] college," [~~and "public~~
16 ~~technical institute"~~] have the meanings assigned by Section 61.003.

17 SECTION 4. Subsection (b), Section 56.452, Education Code,
18 is amended to read as follows:

19 (b) The purpose of this subchapter is to provide no-interest
20 loans to eligible students to enable those students to earn
21 baccalaureate degrees at [~~attend all~~] public and private or
22 independent institutions of higher education in this state.

23 SECTION 5. Section 56.455, Education Code, is amended to
24 read as follows:

25 Sec. 56.455. INITIAL ELIGIBILITY FOR LOAN. To be eligible
26 initially for a Texas B-On-time loan, a person must:

27 (1) be a resident of this state under Section 54.052 or

1 be entitled, as a child of a member of the armed forces of the United
2 States, to pay tuition at the rate provided for residents of this
3 state under Section 54.241;

4 (2) meet one of the following academic requirements:

5 (A) be a graduate of a public or private high
6 school in this state who graduated not earlier than the 2002-2003
7 school year under the recommended or advanced high school program
8 established under Section 28.025(a) or its equivalent;

9 (B) be a graduate of a high school operated by the
10 United States Department of Defense who:

11 (i) graduated from that school not earlier
12 than the 2002-2003 school year; and

13 (ii) at the time of graduation from that
14 school was a dependent child of a member of the armed forces of the
15 United States; or

16 (C) have received an associate degree from an
17 ~~[eligible]~~ institution of higher education or private or
18 independent institution of higher education not earlier than May 1,
19 2005;

20 (3) be enrolled for a full course load for an
21 undergraduate student, as determined by the coordinating board, in
22 a baccalaureate ~~[an undergraduate]~~ degree ~~[or certificate]~~ program
23 at an eligible institution;

24 (4) be eligible for federal financial aid, except that
25 a person is not required to meet any financial need requirement
26 applicable to a particular federal financial aid program; and

27 (5) comply with any additional nonacademic

1 requirement adopted by the coordinating board under this
2 subchapter.

3 SECTION 6. Subsection (a), Section 56.456, Education Code,
4 is amended to read as follows:

5 (a) After initially qualifying for a Texas B-On-time loan, a
6 person may continue to receive a Texas B-On-time loan for each
7 semester or term in which the person is enrolled at an eligible
8 institution only if the person:

9 (1) is enrolled for a full course load for an
10 undergraduate student, as determined by the coordinating board, in
11 a baccalaureate [~~an undergraduate~~] degree [~~or certificate~~] program
12 at an eligible institution;

13 (2) is eligible for federal financial aid, except that
14 a person is not required to meet any financial need requirement
15 applicable to a particular federal financial aid program;

16 (3) makes satisfactory academic progress toward a
17 degree [~~or certificate~~] as determined by the institution at which
18 the person is enrolled, if the person is enrolled in the person's
19 first academic year at the institution;

20 (4) completed at least 75 percent of the semester
21 credit hours attempted by the person in the most recent academic
22 year and has a cumulative grade point average of at least 2.5 on a
23 four-point scale or the equivalent on all coursework previously
24 attempted at institutions of higher education or private or
25 independent institutions of higher education, if the person is
26 enrolled in any academic year after the person's first academic
27 year; and

1 (5) complies with any additional nonacademic
2 requirement adopted by the coordinating board.

3 SECTION 7. Subsections (a) and (b), Section 56.459,
4 Education Code, are amended to read as follows:

5 (a) The amount of a Texas B-On-time loan for a semester or
6 term for a student enrolled full-time at an eligible institution
7 other than an institution covered by Subsection (b) [~~, (c), or (d)~~]
8 is an amount determined by the coordinating board as the average
9 statewide amount of tuition and required fees that a resident
10 student enrolled full-time in a baccalaureate [~~an undergraduate~~]
11 degree program would be charged for that semester or term at general
12 academic teaching institutions.

13 (b) The amount of a Texas B-On-time loan for a student
14 enrolled full-time at a private or independent institution of
15 higher education is an amount determined by the coordinating board
16 as the average statewide amount of tuition and required fees that a
17 resident student enrolled full-time in a baccalaureate [~~an~~
18 ~~undergraduate~~] degree program would be charged for that semester or
19 term at general academic teaching institutions.

20 SECTION 8. Sections 56.461 and 56.462, Education Code, are
21 amended to read as follows:

22 Sec. 56.461. LOAN PAYMENT DEFERRED. The repayment of a
23 Texas B-On-time loan received by a student under this subchapter is
24 deferred as long as the student remains continuously enrolled in a
25 baccalaureate [~~an undergraduate~~] degree [~~or certificate~~] program
26 at an eligible institution.

27 Sec. 56.462. LOAN FORGIVENESS. A student who receives a

1 Texas B-On-time loan shall be forgiven the amount of the student's
2 loan if the student is awarded a baccalaureate [~~an undergraduate~~
3 ~~certificate or~~] degree at an eligible institution with a cumulative
4 grade point average of at least 3.0 on a four-point scale or the
5 equivalent:

6 (1) within:

7 (A) four calendar years after the date the
8 student initially enrolled in an [~~the~~] institution of higher
9 education or private or independent institution of higher education
10 [~~or another eligible institution~~] if[+:

11 [~~(i) the institution is a four-year~~
12 ~~institution; and~~

13 [~~(ii)]~~ the student is awarded a degree
14 other than a degree in engineering, architecture, or any other
15 program determined by the coordinating board to require more than
16 four years to complete; or

17 (B) five calendar years after the date the
18 student initially enrolled in an [~~the~~] institution of higher
19 education or private or independent institution of higher education
20 [~~or another eligible institution~~] if[+:

21 [~~(i) the institution is a four-year~~
22 ~~institution; and~~

23 [~~(ii)]~~ the student is awarded a degree in
24 engineering, architecture, or any other program determined by the
25 coordinating board to require more than four years to complete; [~~or~~

26 [~~(C) two years after the date the student~~
27 ~~initially enrolled in the institution or another eligible~~

1 ~~institution if the institution is a public junior college or public~~
2 ~~technical institute,] or~~

3 (2) with a total number of semester credit hours,
4 including transfer credit hours and excluding hours earned
5 exclusively by examination, hours earned for a course for which the
6 student received credit toward the student's high school academic
7 requirements, and hours earned for developmental coursework that an
8 institution of higher education required the student to take under
9 Section 51.3062 or under the former provisions of Section 51.306,
10 that is not more than six hours more than the minimum number of
11 semester credit hours required to complete the ~~[certificate or]~~
12 degree.

13 SECTION 9. Section 61.0211, Education Code, is amended to
14 read as follows:

15 Sec. 61.0211. SUNSET PROVISION. The Texas Higher Education
16 Coordinating Board is subject to Chapter 325, Government Code
17 (Texas Sunset Act). Unless continued in existence as provided by
18 that chapter, the board is abolished and this chapter expires
19 September 1, 2025 ~~[2013]~~.

20 SECTION 10. Subsection (d), Section 61.025, Education Code,
21 is amended to read as follows:

22 (d) The board shall develop and implement policies that
23 provide the public with a reasonable opportunity to appear before
24 the board and to speak on any issue under the jurisdiction of the
25 board, including a policy to specifically provide, as an item on the
26 board's agenda at each meeting, an opportunity for public comment
27 before the board makes a decision on any agenda item.

1 SECTION 11. Section 61.026, Education Code, is amended to
2 read as follows:

3 Sec. 61.026. COMMITTEES AND ADVISORY COMMITTEES. (a) The
4 chair [~~chairman~~] may appoint committees from the board's membership
5 as the chair [~~he~~] or the board considers [~~may find~~] necessary [~~from~~
6 ~~time to time~~].

7 (b) The board may appoint advisory committees from outside
8 its membership as the board considers [~~it may deem~~] necessary.
9 Chapter 2110, Government Code, applies to an advisory committee
10 appointed by the chair or the board. The board shall adopt rules,
11 in compliance with Chapter 2110, Government Code, regarding an
12 advisory committee that primarily functions to advise the board,
13 including rules governing an advisory committee's purpose, tasks,
14 reporting requirements, and abolishment date. A board member may
15 not serve on a board advisory committee.

16 (c) The board may adopt rules under this section regarding
17 an advisory committee's:

- 18 (1) size and quorum requirements;
19 (2) qualifications for membership, including
20 experience requirements and geographic representation;
21 (3) appointment procedures;
22 (4) terms of service; and
23 (5) compliance with the requirements for open meetings
24 under Chapter 551, Government Code.

25 (d) Each advisory committee must report its recommendations
26 directly to the board.

27 SECTION 12. Section 61.033, Education Code, is amended to

1 read as follows:

2 Sec. 61.033. [~~NEGOTIATED RULEMAKING;~~] ALTERNATIVE DISPUTE
3 RESOLUTION. (a) The board shall develop and implement a policy to
4 encourage the use of[+]

5 ~~[(1) negotiated rulemaking procedures under Chapter~~
6 ~~2008, Government Code, for the adoption of board rules; and~~

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

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

15 (c) The board shall designate a trained person to[+]

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

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

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

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

25 Sec. 61.0331. NEGOTIATED RULEMAKING REQUIRED. If the board
26 is required by this code or other law to consult or cooperate with
27 institutions of higher education in the development of a policy,

1 procedure, or rule, the board must engage the institutions in a
2 negotiated rulemaking process as described by Chapter 2008,
3 Government Code, before the policy, procedure, or rule may take
4 effect.

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

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

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

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

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

23 (c) After considering potential risks and the board's
24 resources, the board shall review a reasonable portion of the total
25 funds allocated by the board and of data reported to the board. The
26 board shall use various levels of monitoring, according to risk,
27 ranging from checking reported data for errors and inconsistencies

1 to conducting comprehensive audits, including site visits.

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

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

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

11 (3) the institution's internal controls;

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

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

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

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

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

27 (f) If the board determines through its compliance

1 monitoring function that funds awarded by the board to an
2 institution of higher education or private or independent
3 institution of higher education have been misused or misallocated
4 by the institution, the board shall present its determination to
5 the institution's governing board and provide an opportunity for a
6 response from the institution. Following the opportunity for
7 response, the board shall report its determination and the
8 institution's response, together with any recommendations, to the
9 institution's governing board, the governor, and the Legislative
10 Budget Board.

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

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

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

25 (h) In conducting the compliance monitoring function under
26 this section, the board may partner with internal audit offices at
27 institutions of higher education and private or independent

1 institutions of higher education, as institutional resources
2 allow, to examine the institutions' use of funds allocated by, and
3 data reported to, the board. To avoid duplication of effort and
4 assist the board in identifying risk, an internal auditor at an
5 institution shall notify the board of any audits conducted by the
6 auditor involving funds administered by the board or data reported
7 to the board. The board by rule may determine the timing and format
8 of the notification required by this subsection.

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

14 (j) In this section:

15 (1) "Desk review" means an administrative review by
16 the board that is based on information reported by an institution of
17 higher education or private or independent institution of higher
18 education, including supplemental information required by the
19 board for the purposes of compliance monitoring, except that the
20 term does not include information or accompanying notes gathered by
21 the board during a site visit.

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

26 SECTION 15. Section 61.051, Education Code, is amended by
27 amending Subsections (a), (a-1), (a-2), and (a-3) and adding

1 Subsection (a-5) to read as follows:

2 (a) The board represents [~~shall represent~~] the highest
3 authority in the state in matters of public higher education and is
4 charged with the duty to take an active part in promoting quality
5 education throughout [~~in the various regions of~~] the state by:

6 (1) providing a statewide perspective to ensure the
7 efficient and effective use of higher education resources and to
8 eliminate unnecessary duplication;

9 (2) developing and evaluating progress toward a
10 long-range master plan for higher education and providing analysis
11 and recommendations to link state spending for higher education
12 with the goals of the long-range master plan;

13 (3) collecting and making accessible data on higher
14 education in the state and aggregating and analyzing that data to
15 support policy recommendations;

16 (4) making recommendations to improve the efficiency
17 and effectiveness of transitions, including between high school and
18 postsecondary education, between institutions of higher education
19 for transfer purposes, and between postsecondary education and the
20 workforce; and

21 (5) administering programs and trusteed funds for
22 financial aid and other grants as necessary to achieve the state's
23 long-range goals and as directed by the legislature. [~~The board~~
24 ~~shall be responsible for assuring that there is no discrimination~~
25 ~~in the distribution of programs and resources throughout the state~~
26 ~~on the basis of race, national origin, or sex.~~]

27 (a-1) The board shall develop a long-range [~~five-year~~]

1 master plan for higher education in this state. The [~~five-year~~]
2 plan shall:

3 (1) establish long-term, measurable goals and provide
4 strategies for implementing those goals;

5 (2) assess the higher education needs of each region
6 of the state;

7 (3) provide for regular evaluation and revision of the
8 plan, as the board considers necessary, to ensure the relevance of
9 goals and strategies; and

10 (4) take into account the resources of private or
11 independent institutions of higher education [~~in this state~~].

12 (a-2) The board shall establish methods for obtaining input
13 from stakeholders and the general public when developing or
14 revising [~~periodically review and revise~~] the long-range
15 [~~five-year~~] master plan developed under Subsection (a-1). [~~As a~~
16 specific element of its review, the board shall identify and
17 analyze the degree to which the plan reflects the continuing higher
18 education needs of this state, as well as any policy changes
19 necessary to improve overall implementation of the plan and the
20 fiscal impact of those changes. The board shall establish
21 procedures for monitoring the board's implementation of the plan,
22 including an analysis of the degree to which its current activities
23 support implementation of the plan and any change in board rules or
24 practices necessary to improve implementation of the plan. The
25 board shall identify additional strategies necessary to achieve the
26 goals of the plan, emphasizing implementation by institutions of
27 higher education and specific recommendations for the different

1 ~~regions of the state. The board shall notify each institution of~~
 2 ~~higher education of all strategies for implementing the plan.]~~

3 (a-3) Not later than December 1 of each even-numbered year,
 4 the board shall prepare and deliver a report to the governor, the
 5 lieutenant governor, the speaker of the house of representatives,
 6 and the standing committees of the senate and house of
 7 representatives with primary jurisdiction over higher education
 8 ~~[The board shall inform the legislature on matters pertaining to~~
 9 ~~higher education, including the state's activities in the Board of~~
 10 ~~Control for Southern Regional Education, and shall report to the~~
 11 ~~legislature not later than January 1 of each odd-numbered year on~~
 12 ~~the state of higher education in Texas].~~ In the ~~[biennial]~~ report,
 13 the board shall assess the state's progress in meeting the goals
 14 established [stated] in the long-range master plan developed under
 15 Subsection (a-1) and ~~[shall]~~ recommend legislative action,
 16 including statutory or funding changes, to assist the state in
 17 meeting those goals. The report must include updates on
 18 implementation strategies provided for in the long-range master
 19 plan ~~[the analyses performed in connection with the board's~~
 20 ~~periodic review]~~ under Subsection (a-1) ~~[(a-2)]~~.

21 (a-5) In conjunction with development of the long-range
 22 master plan under Subsection (a-1), the board shall evaluate the
 23 role and mission of each general academic teaching institution,
 24 other than a public state college, to ensure that the roles and
 25 missions of the institutions collectively contribute to the state's
 26 goals identified in the master plan.

27 SECTION 16. Section 61.0512, Education Code, is amended to

1 read as follows:

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

21 (b) At the time an institution of higher education [~~a public~~
22 ~~senior college or university~~] begins preliminary planning for a new
23 degree program [~~or a new organizational unit to administer a new~~
24 ~~degree program~~], the institution must [~~college or university shall~~]
25 notify the board before the institution may carry out that
26 planning [~~. In the implementation of this subsection, the board may~~
27 ~~not require additional reports from the institutions~~].

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

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

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

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

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

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

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

25 (f) The board may not order the consolidation or elimination
26 of any degree or certificate program offered by an institution of
27 higher education but may, based on the board's review under

1 Subsections (d) and (e), recommend such action to an institution's
2 governing board. If an institution's governing board does not
3 accept recommendations to consolidate or eliminate a degree or
4 certificate program, the university system or, where a system does
5 not exist, the institution, must identify the programs recommended
6 for consolidation or elimination on the next legislative
7 appropriations request submitted by the system or institution.

8 (g) An institution of higher education may offer off-campus
9 courses for credit within the state or distance learning courses
10 only with specific prior approval of the board. An institution must
11 certify to the board that a course offered for credit outside the
12 state meets the board's academic criteria. An institution shall
13 include the certification in submitting any other reports required
14 by the board.

15 SECTION 17. The heading to Section 61.055, Education Code,
16 is amended to read as follows:

17 Sec. 61.055. [~~INITIATION OF NEW DEPARTMENTS, SCHOOLS, AND~~
18 ~~PROGRAMS,~~] PARTNERSHIPS OR AFFILIATIONS.

19 SECTION 18. Subsection (a), Section 61.055, Education Code,
20 is amended to read as follows:

21 (a) The board shall encourage cooperative programs and
22 agreements among institutions of higher education, including
23 programs and agreements relating to degree offerings, research
24 activities, and library and computer sharing. [~~Except as otherwise~~
25 provided by law, a new department, school, or degree or certificate
26 program approved by the board or its predecessor, the Texas
27 Commission on Higher Education, may not be initiated by any

1 ~~institution of higher education until the board has made a written~~
2 ~~finding that the department, school, or degree or certificate~~
3 ~~program is adequately financed by legislative appropriation, by~~
4 ~~funds allocated by the board, or by funds from other sources.]~~

5 SECTION 19. Subsection (l), Section 61.051, Education Code,
6 is transferred to Subchapter C, Chapter 61, Education Code,
7 redesignated as Section 61.0571, Education Code, and amended to
8 read as follows:

9 Sec. 61.0571. BOARD ASSISTANCE TO INSTITUTIONS.

10 (a) [~~(l)~~] The board shall advise and offer technical assistance on
11 the request of any institution of higher education or system
12 administration.

13 SECTION 20. Subsection (n), Section 61.051, Education Code,
14 is transferred to Section 61.0571, Education Code, as added by this
15 Act, and redesignated as Subsection (b), Section 61.0571, Education
16 Code, to read as follows:

17 (b) [~~(n)~~] The board shall develop guidelines for
18 institutional reporting of student performance.

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

23 Sec. 61.0661. OPPORTUNITIES FOR GRADUATE MEDICAL

24 EDUCATION. (a) [~~(a-4)~~] The board shall conduct [~~include in the~~
25 ~~five-year master plan developed under Subsection (a-1)] an
26 assessment of the adequacy of opportunities for graduates of
27 medical schools in this state to enter graduate medical education~~

1 in this state. The assessment must:

2 (1) compare the number of first-year graduate medical
3 education positions available annually with the number of medical
4 school graduates;

5 (2) include a statistical analysis of recent trends in
6 and projections of the number of medical school graduates and
7 first-year graduate medical education positions in this state;

8 (3) develop methods and strategies for achieving a
9 ratio for the number of first-year graduate medical education
10 positions to the number of medical school graduates in this state of
11 at least 1.1 to 1;

12 (4) evaluate current and projected physician
13 workforce needs of this state, by total number and by specialty, in
14 the development of additional first-year graduate medical
15 education positions; and

16 (5) examine whether this state should ensure that a
17 first-year graduate medical education position is created in this
18 state for each new medical student position established by a
19 medical and dental unit.

20 (b) Not later than December 1 of each even-numbered year,
21 the board shall report the results of the assessment to the
22 governor, the lieutenant governor, the speaker of the house of
23 representatives, and the standing committees of the senate and
24 house of representatives with primary jurisdiction over higher
25 education.

26 SECTION 22. Subsection (h), Section 61.051, Education Code,
27 is transferred to Subchapter C, Chapter 61, Education Code,

1 redesignated as Section 61.0662, Education Code, and amended to
2 read as follows:

3 Sec. 61.0662. INFORMATION ON RESEARCH CONDUCTED BY
4 INSTITUTIONS. (a) [~~(h)~~—The board shall make continuing studies of
5 ~~the needs of the state for research and designate the institutions~~
6 ~~of higher education to perform research as needed.]~~ The board
7 shall [~~also~~] maintain an inventory of all institutional and
8 programmatic research activities being conducted by the various
9 institutions of higher education, whether state-financed or not.

10 (b) Once a year, on dates prescribed by the board, each
11 institution of higher education shall report to the board all
12 research conducted at that institution during the [~~last~~] preceding
13 year.

14 (c) All reports required by this section [~~subsection~~] shall
15 be made subject to the limitations imposed by security regulations
16 governing defense contracts for research.

17 SECTION 23. Subchapter C, Chapter 61, Education Code, is
18 amended by adding Section 61.069 to read as follows:

19 Sec. 61.069. BOARD ROLE IN ESTABLISHING BEST PRACTICES.
20 (a) The board may administer or oversee a program to identify best
21 practices only in cases where funding or other restrictions prevent
22 entities other than the board from administering the program.

23 (b) The board may initiate a new pilot project only if other
24 entities, including nonprofit organizations and institutions of
25 higher education, are not engaging in similar projects or if the
26 initiative cannot be performed by another entity.

27 (c) The board may use its position as a statewide

1 coordinator to assist with matching nonprofit organizations or
2 grant-funding entities with institutions of higher education and
3 private or independent institutions of higher education to
4 implement proven programs and best practices.

5 (d) The board may compile best practices and strategies
6 resulting from its review of external studies for use in providing
7 technical assistance to institutions of higher education and as the
8 basis for the board's statewide policy recommendations.

9 SECTION 24. Subchapter C, Chapter 61, Education Code, is
10 amended by adding Section 61.0763 to read as follows:

11 Sec. 61.0763. STUDENT LOAN DEFAULT PREVENTION AND FINANCIAL
12 AID LITERACY PILOT PROGRAM. (a) In this section, "career school
13 or college" has the meaning assigned by Section 132.001.

14 (b) Not later than January 1, 2014, the board shall
15 establish and administer a pilot program at selected postsecondary
16 educational institutions to ensure that students of those
17 institutions are informed consumers with regard to all aspects of
18 student financial aid, including:

19 (1) the consequences of borrowing to finance a
20 student's postsecondary education;

21 (2) the financial consequences of a student's academic
22 and career choices; and

23 (3) strategies for avoiding student loan delinquency
24 and default.

25 (c) The board shall select at least one institution from
26 each of the following categories of postsecondary educational
27 institutions to participate in the program:

- 1 (1) general academic teaching institutions;
- 2 (2) public junior colleges;
- 3 (3) private or independent institutions of higher
4 education; and
- 5 (4) career schools or colleges.

6 (d) In selecting postsecondary educational institutions to
7 participate in the pilot program, the board shall give priority to
8 institutions that have a three-year cohort student loan default
9 rate, as reported by the United States Department of Education:

- 10 (1) of more than 20 percent; or
- 11 (2) that has above average growth as compared to the
12 rates of other postsecondary educational institutions in this
13 state.

14 (e) The board, in consultation with postsecondary
15 educational institutions, shall adopt rules for the administration
16 of the pilot program, including rules governing the selection of
17 postsecondary educational institutions to participate in the pilot
18 program consistent with the requirements of Subsection (d).

19 (f) The board may contract with one or more entities to
20 administer the pilot program according to criteria established by
21 board rule.

22 (g) Not later than January 1 of each year, beginning in
23 2016:

- 24 (1) the board shall submit a report to the governor,
25 the lieutenant governor, and the speaker of the house of
26 representatives regarding the outcomes of the pilot program, as
27 reflected in the federal student loan default rates reported for

1 the participating institutions; and

2 (2) each participating institution shall submit a
3 report to the governor, the lieutenant governor, and the speaker of
4 the house of representatives regarding the outcomes of the pilot
5 program at the institution, as reflected in the federal student
6 loan default rate reported for the institution.

7 (h) This section expires December 31, 2020.

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

10 Sec. 61.07761. FINANCIAL AID AND OTHER TRUSTEED FUNDS
11 ALLOCATION. (a) For any funds trusteeed to the board for
12 allocation to institutions of higher education and private or
13 independent institutions of higher education, including financial
14 aid program funds, the board by rule shall:

15 (1) establish and publish the allocation
16 methodologies; and

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

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

22 SECTION 26. The heading to Section 61.822, Education Code,
23 is amended to read as follows:

24 Sec. 61.822. TRANSFER OF CREDITS; CORE CURRICULUM.

25 SECTION 27. Section 61.822, Education Code, is amended by
26 amending Subsection (a) and adding Subsection (a-1) to read as
27 follows:

1 (a) The board shall encourage the transferability of lower
2 division course credit among institutions of higher education.

3 (a-1) The board, with the assistance of advisory committees
4 composed of representatives of institutions of higher education,
5 shall develop a recommended core curriculum of at least 42 semester
6 credit hours, including a statement of the content, component
7 areas, and objectives of the core curriculum. At least a majority
8 of the members of any advisory committee named under this section
9 shall be faculty members of an institution of higher education. An
10 institution shall consult with the faculty of the institution
11 before nominating or recommending a person to the board as the
12 institution's representative on an advisory committee.

13 SECTION 28. Subsection (f), Section 130.0012, Education
14 Code, is amended to read as follows:

15 (f) Each public junior college that offers a baccalaureate
16 degree program under this section must enter into an articulation
17 agreement for the first five years of the program with one or more
18 general academic teaching institutions to ensure that students
19 enrolled in the degree program have an opportunity to complete the
20 degree if the public junior college ceases to offer the degree
21 program. The coordinating board may require a general academic
22 teaching institution that offers a comparable degree program to
23 enter into an articulation agreement with the public junior college
24 as provided by this subsection.

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

1 (f) The training required by this section must be
2 appropriately targeted and relevant to the age of the children who
3 will receive care from the individual receiving training and must
4 be provided by a person who:

5 (1) is a training provider registered with the Texas
6 Early Care and Education Career Development System's Texas Trainer
7 Registry that is maintained by the Texas Head Start State
8 Collaboration Office;

9 (2) is an instructor at a public or private secondary
10 school, an [~~or at a public or private~~] institution of higher
11 education, as defined by Section 61.003 [~~61.801~~], Education Code,
12 or a private college or university accredited by a recognized
13 accrediting agency who teaches early childhood development or
14 another relevant course, as determined by rules adopted by the
15 commissioner of education and the commissioner of higher education;

16 (3) is an employee of a state agency with relevant
17 expertise;

18 (4) is a physician, psychologist, licensed
19 professional counselor, social worker, or registered nurse;

20 (5) holds a generally recognized credential or
21 possesses documented knowledge relevant to the training the person
22 will provide;

23 (6) is a registered family home care provider or
24 director of a day-care center or group day-care home in good
25 standing with the department, if applicable, and who:

26 (A) has demonstrated core knowledge in child
27 development and caregiving; and

1 (B) is only providing training at the home or
2 center in which the provider or director and the person receiving
3 training are employed; or

4 (7) has at least two years of experience working in
5 child development, a child development program, early childhood
6 education, a childhood education program, or a Head Start or Early
7 Head Start program and:

8 (A) has been awarded a Child Development
9 Associate (CDA) credential; or

10 (B) holds at least an associate's degree in child
11 development, early childhood education, or a related field.

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

14 (1) Chapters 143, 144, 147, 148, and 152;

15 (2) Subchapters J, M, Q, and X, Chapter 51;

16 (3) Subchapters K, P, Q, U, and W, Chapter 61;

17 (4) Section 51.916; Subsection (f), Section 52.17;
18 Section 52.56; Subsection (d), Section 56.456; and Subsections (c)
19 and (d), Section 56.459;

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

22 (6) Subsections (i) and (i-1), Section 61.059;
23 Sections 61.0591, 61.0631, and 61.066; Subsection (d), Section
24 61.0761; Sections 61.078, 61.088, and 61.660; and Subsection (c),
25 Section 62.096.

26 SECTION 31. (a) The change in law made by this Act in
27 amending Subchapter Q, Chapter 56, Education Code, applies

1 beginning with Texas B-On-time loans awarded for the 2014-2015
2 academic year.

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

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

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

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