

By: Birdwell, Nichols

S.B. No. 215

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the continuation and functions of the Texas Higher
3 Education Coordinating Board.

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

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

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

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

15 (d) At least every five years, the Texas Higher Education
16 Coordinating Board shall reevaluate its rules and policies to
17 ensure the continuing need for the data requests the coordinating
18 board imposes on university systems or institutions of higher
19 education. The coordinating board shall consult with university
20 systems and institutions of higher education in identifying
21 unnecessary requests or ways to streamline those requests. The
22 coordinating board shall eliminate data requests identified as
23 unnecessary from its rules and policies.

24 SECTION 3. Sections 56.451(2) and (3), Education Code, are

1 amended to read as follows:

2 (2) "Eligible institution" means:

3 (A) a general academic teaching institution,
4 other than a public state college [~~an institution of higher~~
5 ~~education~~]; [~~or~~]

6 (B) a medical and dental unit that offers
7 baccalaureate degrees; or

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

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

14 SECTION 4. Section 56.452(b), Education Code, is amended to
15 read as follows:

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

20 SECTION 5. Section 56.455, Education Code, is amended to
21 read as follows:

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

24 (1) be a resident of this state under Section 54.052 or
25 be entitled, as a child of a member of the armed forces of the United
26 States, to pay tuition at the rate provided for residents of this
27 state under Section 54.241;

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

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

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

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

10 (ii) at the time of graduation from that
11 school was a dependent child of a member of the armed forces of the
12 United States; or

13 (C) have received an associate degree from an
14 eligible institution not earlier than May 1, 2005;

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

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

22 (5) comply with any additional nonacademic
23 requirement adopted by the coordinating board under this
24 subchapter.

25 SECTION 6. Section 56.456(a), Education Code, is amended to
26 read as follows:

27 (a) After initially qualifying for a Texas B-On-time loan, a

1 person may continue to receive a Texas B-On-time loan for each
2 semester or term in which the person is enrolled at an eligible
3 institution only if the person:

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

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

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

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

22 (5) complies with any additional nonacademic
23 requirement adopted by the coordinating board.

24 SECTION 7. Sections 56.459(a) and (b), Education Code, are
25 amended to read as follows:

26 (a) The amount of a Texas B-On-time loan for a semester or
27 term for a student enrolled full-time at an eligible institution

1 other than an institution covered by Subsection (b) [~~, (c), or (d)~~]
2 is an amount determined by the coordinating board as the average
3 statewide amount of tuition and required fees that a resident
4 student enrolled full-time in a baccalaureate [~~an undergraduate~~]
5 degree program would be charged for that semester or term at general
6 academic teaching institutions.

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

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

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

21 Sec. 56.462. LOAN FORGIVENESS. A student who receives a
22 Texas B-On-time loan shall be forgiven the amount of the student's
23 loan if the student is awarded a baccalaureate [~~an undergraduate~~
24 ~~certificate or~~] degree at an eligible institution with a cumulative
25 grade point average of at least 3.0 on a four-point scale or the
26 equivalent:

27 (1) within:

1 (A) four calendar years after the date the
2 student initially enrolled in the institution or another eligible
3 institution if ~~+~~

4 ~~[(i) the institution is a four-year~~
5 ~~institution; and~~

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

10 (B) five calendar years after the date the
11 student initially enrolled in the institution or another eligible
12 institution if ~~+~~

13 ~~[(i) the institution is a four-year~~
14 ~~institution; and~~

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

18 ~~[(C) two years after the date the student~~
19 ~~initially enrolled in the institution or another eligible~~
20 ~~institution if the institution is a public junior college or public~~
21 ~~technical institute;] or~~

22 (2) with a total number of semester credit hours,
23 including transfer credit hours and excluding hours earned
24 exclusively by examination, hours earned for a course for which the
25 student received credit toward the student's high school academic
26 requirements, and hours earned for developmental coursework that an
27 institution of higher education required the student to take under

1 Section 51.3062 or under the former provisions of Section 51.306,
2 that is not more than six hours more than the minimum number of
3 semester credit hours required to complete the [~~certificate or~~]
4 degree.

5 SECTION 9. Section 61.0211, Education Code, is amended to
6 read as follows:

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

12 SECTION 10. Section 61.022(a), Education Code, is amended
13 to read as follows:

14 (a) The board shall consist of nine members appointed by the
15 governor so as to provide representation from all areas of the state
16 with the advice and consent of the senate, and as the constitution
17 provides. One-third of the members must possess experience in the
18 field of higher education governance or administration so that the
19 board includes experience from both general academic teaching
20 institutions and public junior colleges or public technical
21 institutes. Members of the board serve staggered six-year terms.
22 The terms of one-third of the members expire August 31 of each
23 odd-numbered year.

24 SECTION 11. Section 61.025(d), Education Code, is amended
25 to read as follows:

26 (d) The board shall develop and implement policies that
27 provide the public with a reasonable opportunity to appear before

1 the board and to speak on any issue under the jurisdiction of the
2 board, including a policy to specifically provide, as an item on the
3 board's agenda at each meeting, an opportunity for public comment
4 before the board makes a decision on any agenda item.

5 SECTION 12. Section 61.026, Education Code, is amended to
6 read as follows:

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

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

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

- 22 (1) size and quorum requirements;
23 (2) qualifications for membership, including
24 experience requirements and geographic representation;
25 (3) appointment procedures;
26 (4) terms of service; and
27 (5) compliance with the requirements for open meetings

1 under Chapter 551, Government Code.

2 (d) Each advisory committee must report its recommendations
3 directly to the board.

4 SECTION 13. Subchapter B, Chapter 61, Education Code, is
5 amended by adding Section 61.035 to read as follows:

6 Sec. 61.035. COMPLIANCE MONITORING. (a) The board shall
7 establish an agency-wide, risk-based compliance monitoring
8 function for:

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

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

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

20 (c) The board shall develop written policies and procedures
21 to guide its risk-based approach to compliance monitoring. After
22 considering potential risks and the board's resources, the board
23 shall audit a reasonable portion of the total funds allocated by the
24 board and of data reported to the board. The board shall use various
25 levels of monitoring, according to risk, ranging from checking
26 reported data for errors and inconsistencies to conducting
27 comprehensive audits, including site visits.

1 (d) In developing the board's risk-based approach under
2 Subsection (c), the board shall prioritize the following factors
3 relating to an institution of higher education:

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

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

8 (3) the institution's internal controls;

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

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

13 (6) in regard to data verification, whether the data
14 reported to the board by the institution is used for determining
15 funding allocations.

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

22 (f) If the board determines through its compliance
23 monitoring function that funds awarded by the board to an
24 institution of higher education have been misused or misallocated
25 by the institution, the board shall require the institution to
26 refund the amount of the misallocation to the board for remittance
27 to the state treasury or directly to the treasury, as appropriate,

1 to the credit of the appropriate account.

2 (g) If the board determines through its compliance
3 monitoring function that an institution of higher education has
4 included errors in the institution's enrollment data, the
5 Legislative Budget Board may make a recommendation to the
6 legislature regarding the reallocation of any appropriations to the
7 institution.

8 (h) In conducting the compliance monitoring function under
9 this section, the board may partner with internal audit offices at
10 institutions of higher education, as institutional resources
11 allow, to examine the institutions' use of funds allocated by, and
12 data reported to, the board. To avoid duplication of effort and
13 assist the board in identifying risk, an internal auditor at an
14 institution shall notify the board of any audits conducted by the
15 auditor involving funds administered by the board or data reported
16 to the board.

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

22 SECTION 14. Section 61.051, Education Code, is amended by
23 amending Subsections (a), (a-1), (a-2), and (a-3) and adding
24 Subsection (a-5) to read as follows:

25 (a) The board represents [~~shall represent~~] the highest
26 authority in the state in matters of public higher education and is
27 charged with the duty to take an active part in promoting quality

1 education throughout [~~in the various regions of~~] the state by:

2 (1) providing a statewide perspective to ensure the
3 efficient and effective use of higher education resources and to
4 eliminate unnecessary duplication;

5 (2) developing and evaluating progress toward a
6 long-range master plan for higher education and providing analysis
7 and recommendations to link state spending for higher education
8 with the goals of the long-range master plan;

9 (3) collecting and making accessible data on higher
10 education in the state and aggregating and analyzing that data to
11 support policy recommendations;

12 (4) making recommendations to improve the efficiency
13 and effectiveness of transitions, including between high school and
14 postsecondary education, between institutions of higher education
15 for transfer purposes, and between postsecondary education and the
16 workforce; and

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

23 (a-1) The board shall develop a long-range [~~five-year~~]
24 master plan for higher education in this state. The [~~five-year~~]
25 plan shall:

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

1 (2) assess the higher education needs of each region
2 of the state; and

3 (3) provide for regular evaluation and revision of the
4 plan, as the board considers necessary, to ensure the relevance of
5 goals and strategies [~~take into account the resources of private~~
6 ~~institutions of higher education in this state~~].

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

25 (a-3) Not later than December 1 of each even-numbered year,
26 the board shall prepare and deliver a report to the governor, the
27 lieutenant governor, the speaker of the house of representatives,

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

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

22 SECTION 15. Section 61.0512, Education Code, is amended to
 23 read as follows:

24 Sec. 61.0512. BOARD APPROVAL OF ACADEMIC [NEW DEGREE]
 25 PROGRAMS[~~, NOTIFICATION TO BOARD~~]. (a) A new degree or certificate
 26 program may be added at an institution of higher education only with
 27 specific prior approval of the board.

1 **(b)** At the time an institution of higher education [~~a public~~
2 ~~senior college or university~~] begins preliminary planning for a new
3 degree program [~~or a new organizational unit to administer a new~~
4 ~~degree program~~], the institution must secure preliminary approval
5 from [~~college or university shall notify~~] the board to carry out
6 that planning[~~. In the implementation of this subsection, the board~~
7 ~~may not require additional reports from the institutions~~].

8 **(c)** The board shall review each degree or certificate
9 program offered by an institution of higher education at the time
10 the institution begins preliminary planning for a new program to
11 ensure that the program:

12 **(1)** is needed by the state and the local community and
13 does not unnecessarily duplicate programs offered by other
14 institutions of higher education;

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

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

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

24 **(d)** The board may review the graduation rates of degree or
25 certificate programs at least every four years.

26 **(e)** The board shall review each degree or certificate
27 program offered by an institution of higher education at least

1 every 10 years after a new program is established using the criteria
2 prescribed by Subsection (c).

3 (f) Based on the board's reviews under Subsections (d) and
4 (e), the board may order the consolidation or elimination of a
5 degree or certificate program at an institution of higher
6 education.

7 (g) The board may require an institution of higher education
8 to report to the board any administrative or organizational change
9 affecting a degree or certificate program, including the
10 establishment of a new department or school or the transfer of a
11 program between schools or departments.

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

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

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

23 SECTION 17. Section 61.055(a), Education Code, is amended
24 to read as follows:

25 (a) The board shall encourage cooperative programs and
26 agreements among institutions of higher education, including
27 programs and agreements relating to degree offerings, research

1 activities, and library and computer sharing. [~~Except as otherwise~~
2 ~~provided by law, a new department, school, or degree or certificate~~
3 ~~program approved by the board or its predecessor, the Texas~~
4 ~~Commission on Higher Education, may not be initiated by any~~
5 ~~institution of higher education until the board has made a written~~
6 ~~finding that the department, school, or degree or certificate~~
7 ~~program is adequately financed by legislative appropriation, by~~
8 ~~funds allocated by the board, or by funds from other sources.]~~

9 SECTION 18. Section 61.051(l), Education Code, is
10 transferred to Subchapter C, Chapter 61, Education Code,
11 redesignated as Section 61.0571, Education Code, and amended to
12 read as follows:

13 Sec. 61.0571. BOARD ASSISTANCE TO INSTITUTIONS. (a)
14 [~~(1)~~] The board shall advise and offer technical assistance on the
15 request of any institution of higher education or system
16 administration.

17 SECTION 19. Section 61.051(n), Education Code, is
18 transferred to Section 61.0571, Education Code, as added by this
19 Act, and redesignated as Section 61.0571(b), Education Code, to
20 read as follows:

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

23 SECTION 20. Section 61.051(a-4), Education Code, is
24 transferred to Subchapter C, Chapter 61, Education Code,
25 redesignated as Section 61.0661, Education Code, and amended to
26 read as follows:

27 Sec. 61.0661. OPPORTUNITIES FOR GRADUATE MEDICAL

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

6 (1) compare the number of first-year graduate medical
7 education positions available annually with the number of medical
8 school graduates;

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

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

16 (4) evaluate current and projected physician
17 workforce needs of this state, by total number and by specialty, in
18 the development of additional first-year graduate medical
19 education positions; and

20 (5) examine whether this state should ensure that a
21 first-year graduate medical education position is created in this
22 state for each new medical student position established by a
23 medical and dental unit.

24 (b) Not later than December 1 of each even-numbered year,
25 the board shall report the results of the assessment to the
26 governor, the lieutenant governor, the speaker of the house of
27 representatives, and the standing committees of the senate and

1 house of representatives with primary jurisdiction over higher
2 education.

3 SECTION 21. Section 61.051(h), Education Code, is
4 transferred to Subchapter C, Chapter 61, Education Code,
5 redesignated as Section 61.0662, Education Code, and amended to
6 read as follows:

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

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

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

21 SECTION 22. Subchapter C, Chapter 61, Education Code, is
22 amended by adding Section 61.069 to read as follows:

23 Sec. 61.069. BOARD ROLE IN ESTABLISHING BEST PRACTICES.

24 (a) The board may administer or oversee a program to identify best
25 practices only in cases where funding or other restrictions prevent
26 entities other than the board from administering the program.

27 (b) The board may initiate a new pilot project only if other

1 entities, including nonprofit organizations and institutions of
2 higher education, are not engaging in similar projects or if the
3 initiative cannot be performed by another entity.

4 (c) The board may use its position as a statewide
5 coordinator to assist with matching nonprofit organizations or
6 grant-funding entities with institutions of higher education to
7 implement proven programs and best practices.

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

12 SECTION 23. Subchapter C, Chapter 61, Education Code, is
13 amended by adding Section 61.07761 to read as follows:

14 Sec. 61.07761. FINANCIAL AID ALLOCATION. (a) The board by
15 rule shall:

16 (1) establish allocation methodologies for each
17 financial aid program for which the board administers the
18 allocation of funds to institutions of higher education; and

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

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

23 SECTION 24. The heading to Section 61.822, Education Code,
24 is amended to read as follows:

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

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

1 follows:

2 (a) The board shall develop and implement policies to
3 promote the transferability of lower division course credit among
4 institutions of higher education.

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

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

18 (f) The training required by this section must be
19 appropriately targeted and relevant to the age of the children who
20 will receive care from the individual receiving training and must
21 be provided by a person who:

22 (1) is a training provider registered with the Texas
23 Early Care and Education Career Development System's Texas Trainer
24 Registry that is maintained by the Texas Head Start State
25 Collaboration Office;

26 (2) is an instructor at a public or private secondary
27 school, an [~~or at a public or private~~] institution of higher

1 education, as defined by Section 61.003 [~~61.801~~], Education Code,
2 or a private college or university accredited by a recognized
3 accrediting agency who teaches early childhood development or
4 another relevant course, as determined by rules adopted by the
5 commissioner of education and the commissioner of higher education;

6 (3) is an employee of a state agency with relevant
7 expertise;

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

10 (5) holds a generally recognized credential or
11 possesses documented knowledge relevant to the training the person
12 will provide;

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

16 (A) has demonstrated core knowledge in child
17 development and caregiving; and

18 (B) is only providing training at the home or
19 center in which the provider or director and the person receiving
20 training are employed; or

21 (7) has at least two years of experience working in
22 child development, a child development program, early childhood
23 education, a childhood education program, or a Head Start or Early
24 Head Start program and:

25 (A) has been awarded a Child Development
26 Associate (CDA) credential; or

27 (B) holds at least an associate's degree in child

1 development, early childhood education, or a related field.

2 SECTION 27. The following provisions of the Education Code
3 are repealed:

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

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

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

7 (4) Sections 51.916, 52.17(f), 52.56, 56.456(d), and
8 56.459(c) and (d);

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

11 (6) Sections 61.059(i) and (i-1), 61.0591, 61.0631,
12 61.066, 61.0761(d), 61.078, 61.088, 61.660, and 62.096(c).

13 SECTION 28. (a) The change in law made by this Act in
14 amending Subchapter Q, Chapter 56, Education Code, applies
15 beginning with Texas B-On-time loans awarded for the 2014-2015
16 academic year.

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

1 and shall notify each student who receives a Texas B-On-time loan in
2 the 2013-2014 academic year of the provisions of this subsection.

3 SECTION 29. The change in law made by Section 61.022(a),
4 Education Code, as amended by this Act, regarding the
5 qualifications of members of the Texas Higher Education
6 Coordinating Board does not affect the entitlement of a member
7 serving on the coordinating board immediately before the effective
8 date of this Act to continue to serve as a member of the
9 coordinating board for the remainder of the member's term. As the
10 terms of coordinating board members expire, the governor shall
11 appoint or reappoint a member who has the required experience until
12 the composition of the coordinating board meets the requirements
13 under Section 61.022(a), Education Code, as amended by this Act.

14 SECTION 30. The Texas Higher Education Coordinating Board
15 shall adopt rules as required by Section 61.07761, Education Code,
16 as added by this Act, as soon as practicable after this Act takes
17 effect. For that purpose, the coordinating board may adopt the
18 initial rules in the manner provided by the law for emergency rules.

19 SECTION 31. This Act takes effect September 1, 2013.