

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 3577
By: Howard et al. (Birdwell)
Higher Education
5/21/2015
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

According to interested parties, the Texas Higher Education Coordinating Board's (THECB) recent sunset bill restructured financial aid programs for two-year colleges. The parties report that the methodology used to allocate Texas Educational Opportunity Grant funding as part of the restructuring resulted in less funding for certain state technical colleges than previously received. THECB attempted negotiated rulemaking between community colleges and two-year colleges to correct this unintended consequence but was unable to reach consensus. Interested parties assert that the unintended consequence should be corrected and the applicable funding returned to its previous level. C.S.H.B. 3577 addresses this issue.

C.S.H.B. 3577 amends current law relating to the allocation of funds to eligible institutions under the Texas Educational Opportunity Grant Program.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 56.403, Education Code, by adding Subsection (e), to require the Texas Higher Education Coordinating Board (THECB) to consult with representatives of eligible institutions to determine the percentage of the total amount available for initial grants under the program to be allocated to each type of eligible institution for the distribution of initial grants under the program. Requires THECB, if the representatives cannot reach a unanimous consensus on the percentage for each allocation, to allocate 92 percent of the total amount available for initial grants under the program to public junior colleges and allocate the remaining amount to other eligible institutions. Provides that this subsection expires August 31, 2018.

SECTION 2. Provides that the change in law made by this Act applies to the allocations to eligible institutions under Subchapter P, Chapter 56, Education Code, as amended by this Act, beginning with the 2015-2016 academic year.

SECTION 3. Effective date: upon passage or September 1, 2015.