**BILL ANALYSIS**

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| Senate Research Center | H.B. 385 |
| 85R1881 KSD-F | By: Murphy; Fallon (Hughes) |
|  | Higher Education |
|  | 5/9/2017 |
|  | Engrossed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

In 2011, Governor Rick Perry called for the creation of a $10,000 baccalaureate program. The Texas Higher Education Coordinating Board worked with South Texas College and Texas A&M Commerce to respond to this challenge, and students from these schools have participated in the Texas Affordable Baccalaureate Program (TAB) since 2014. An expansion of the program currently is underway, including new programming at South Texas College and Texas A&M Commerce and the participation of two new institutions, Texas A&M Corpus Christi and Tarleton State University.

In addition to college affordability, the second critical goal of the TAB program is to enable adults to earn a college degree, thereby equipping themselves to be more marketable in a 21st century economy. Some of these adults are returning students, however, and cannot enter the TAB program due to prior coursework that did not lead to a degree or poor academic performance resulting in course repetition. Specifically, formula funding is unavailable for students who have taken more than 30 hours above the number required for their degree, have dropped more than six courses, or have repeated a course three times. H.B. 385 removes these formula funding restrictions, thus giving TAB students a second chance at an affordable college degree.

H.B. 385 amends current law relating to the elimination of certain formula funding and dropped course restrictions for students enrolled in accelerated, affordable baccalaureate programs at public institutions of higher education.

**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 51.907, Education Code, by adding Subsection (b-1), as follows:

(b-1) Provides that this section (Limitations on Number of Courses That May Be Dropped Under Certain Circumstances) does not apply to a student enrolled in an accelerated baccalaureate program created in collaboration with the Texas Higher Education Coordinating Board (THECB) that uses a competency-based model and year-round flat-rate tuition to facilitate degree completion, as verified by THECB.

SECTION 2. Amends Section 61.059, Education Code, by adding Subsection (r), as follows:

(r) Prohibits THECB, notwithstanding any other law, from excluding from being counted in the hours reported to the Legislative Budget Board for formula funding contact hours or semester credit hours for a student's enrollment in a course for which the student has previously generated formula funding for the same course if the student is enrolled in an accelerated baccalaureate program created in collaboration with THECB that uses a competency-based and year-round flat-rate tuition to facilitate degree completion, as verified by THECB.

SECTION 3. Amends Section 61.0595, Education Code, by adding Subsection (f-1), as follows:

(f-1) Requires THECB, in the formulas established under Section 61.059 (Appropriations), to include without consideration of Subsection (a) (relating to prohibiting the inclusion of certain funding for semester credit hours in a certain formula) or (e) (relating to providing that Subsection (a) applies only to certain types of funding for semester credit hours) funding for semester credit hours earned by a student who is enrolled in an accelerated baccalaureate program created by an institution in collaboration with THECB that uses a competency-based model and year-round flat-rate tuition to facilitate degree completion, as verified by THECB.

SECTION 4. Provides that Section 51.907(b-1), Education Code, as added by this Act, applies beginning with the fall 2017 semester.

SECTION 5. Provides that the changes in law made by this Act to Sections 61.059 and 61.0595, Education Code, apply beginning with funding recommendations made under Section 61.059, Education Code, for the state fiscal biennium beginning September 1, 2019.

SECTION 6. Effective date: upon passage or September 1, 2017.