

BILL ANALYSIS

Senate Research Center
87R21953 MM-F

C.S.S.B. 1888
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Higher Education
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, there is a significant "brain drain" of high-performing Texas high school graduates leaving the state to attend out-of-state universities, or more troubling, not enrolling in higher education at all upon graduation. As an example, nearly 7,000 of Texas's highest performing students, those students who are ranked within the top 10 percent of their high school class and eligible for automatic admission to Texas public universities, either attend an out-of-state university or do not enroll at an institution of higher education.

Much like "blue-chip" athletes can be well-served by graduating from high school early and accelerating their entry into rigorous college training programs, permitting high-achieving Texas students to graduate early from high school and enroll early in Texas public universities would better serve many of these students—and better position the state to retain these high-performing students. Creating a similar academic blue-chip program benefits the student, institutions, and the Texas workforce by streamlining high-achieving students' pathways into Texas public universities.

Amending existing statute to permit public universities to offer early admissions to highpotential, college-ready Texas high school students would put Texas public institutions of higher education at the front of the line to recruit, retain, and graduate our state's most prepared students. Keeping these students in Texas for their college careers makes it far more likely they will enter the Texas workforce, helping bolster the state's economy.

This proposal establishes the Texas First Early High School Completion Program to allow Texas resident students, as defined in Chapter 54, Education Code, who demonstrate early readiness for college to graduate from a Texas public high school early and to receive a scholarship at an eligible Texas institution during the first full academic year following the student's early high school graduation. The purpose of the program is to promote efficiency in the Texas public education system and incentivize the enrollment of high-performing Texas students in Texas institutions of higher education.

The committee substitute just adds the fiscal responsibility amendment.

C.S.S.B. 1888 amends current law relating to the establishment of certain programs to facilitate early high school graduation and enrollment at public institutions of higher education and to the repeal of the Early High School Graduation Scholarship program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 28.0253, Education Code) and SECTION 3 (Section 56.227, Education Code) of this bill.

Rulemaking authority previously granted to the Texas Higher Education Coordinating Board is rescinded in SECTION 4 (Sections 56.203 and 56.209, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 28.0253, Education Code, as follows:

Sec. 28.0253. New heading: TEXAS FIRST EARLY HIGH SCHOOL COMPLETION PROGRAM. (a) Defines "coordinating board," "eligible institution," and "program." Deletes existing text defining "research university."

(b) Requires the Texas Education Agency (TEA), in coordination with the Texas Higher Education Coordinating Board (THECB), to establish the Texas First Early High School Completion Program to allow public high school students who demonstrate early readiness for college to graduate early from high school. Provides that the purpose of the program, in conjunction with the Texas First Scholarship Program established under Subchapter K-1, Chapter 56 (Student Financial Assistance), is to promote efficiency in the state public education system and incentivize the enrollment of high performing students at eligible institutions.

(c) Requires THECB, in coordination with TEA and eligible institutions, by rule to establish standards for use in the program regarding:

- (1) redesignates existing Paragraph (A) as Subdivision (1) and makes a nonsubstantive change;
- (2) redesignates existing Paragraph (B) as Subdivision (2) and makes no further changes; and
- (3) redesignates existing Paragraph (C) as Subdivision (3) and makes conforming changes.

Deletes existing text requiring a research university that chooses to participate in the pilot program to:

- (1) not later than September 1 of each year, make available on the university's Internet website certain detailed standards for use in the program;
- (2) partner with at least 10 school districts that reflect the geographic diversity of this state and the student compositions of which reflect the socioeconomic diversity of this state; and
- (3) assist school administrators, school counselors, and other educators in each of those school districts in designing the specific requirements of and implementing the program in the district.

(d) Redesignates existing Subsection (c) as Subsection (d). Requires that the assessments or other means THECB establishes under Subsection (c)(3), rather than assessments or other means filed by a research university, be equivalent to the assessments or other means eligible institutions commonly use to place students at the institutions in courses that may be credited toward a degree requirement. Makes conforming changes.

(e) Redesignates existing Subsection (d) as Subsection (e). Authorizes a school district or open-enrollment charter school to issue a high school diploma to a student under the program if, using the standards established under Subsection (c), the student demonstrates mastery of and early readiness for college in each of the subject areas described by that subsection and in a language other than English, notwithstanding any other local or state requirements. Makes a nonsubstantive change.

Deletes existing text requiring a research university that partners with a school district under this section to enter into an agreement with the district under which the university and district agree that the district will assess a student's mastery of the subject areas described by Subsection (b)(1) and a language other than English in accordance with the standards the university filed under Subsection (b)(1).

(f) Redesignates existing Subsection (c) as Subsection (f). Provides that a student who earns a high school diploma through the program, rather than a student who

receives a high school diploma through the pilot program, is considered to have earned a distinguished level of achievement under the foundation high school program adopted under Section 28.025 (High School Diploma and Certificate; Academic Achievement Record). Makes a conforming change.

(g) Requires a school district or open-enrollment charter school, on a student's initial enrollment in high school in a grade level below grade 12 in the district or school, to provide to the student and the student's parent or guardian information regarding the requirements to earn a high school diploma under the program and the Texas First Scholarship Program established under Subchapter K-1, Chapter 56.

(h) Requires TEA and THECB to jointly prepare and post on their respective Internet websites a publication that includes the information required to be provided under Subsection (g) in a form that enables a school district or open-enrollment charter school to reproduce the publication for distribution under that subsection.

Deletes existing text requiring a research university that participates in the pilot program to enter into an agreement with an education research center established under Section 1.005 (Education Research Centers) to conduct an evaluation of the program with respect to that university and the school districts with which the university partners. Deletes existing text requiring the education research center, not later than January 1, 2013, to provide a written report of the evaluation to the commissioner of education (commissioner) and the commissioner of higher education and to make the report available on the center's Internet website. Deletes existing text authorizing the report to include an analysis of the effects of the program on the university's admissions review process.

SECTION 2. Amends Subchapter F, Chapter 48, Education Code, by adding Section 48.2642, as follows:

Sec. 48.2642. ADJUSTMENTS FOR TEXAS FIRST EARLY HIGH SCHOOL COMPLETION PROGRAM GRADUATES. (a) Requires the commissioner, notwithstanding any other provision of Chapter 48 (Foundation School Program), to count toward a school district's or open-enrollment charter school's average daily attendance under Section 48.005 (Average Daily Attendance) each student who graduates early from high school in the district or school under the Texas First Early High School Completion Program established under Section 28.0253 for the period in which the student is enrolled at an eligible institution using state credit awarded under the Texas First Scholarship Program established under Subchapter K-1, Chapter 56, based on a 100 percent attendance rate.

(b) Requires the commissioner, as soon as practicable after receipt of the report under Section 56.226, to reduce the amount of a school district's or open-enrollment charter school's entitlement under this chapter for the school year by an amount equal to the total amount of state credit issued during the preceding school year to the district's or school's high school graduates under the Texas First Scholarship Program established under Subchapter K-1, Chapter 56.

SECTION 3. Amends Chapter 56, Education Code, by adding Subchapter K-1, as follows:

SUBCHAPTER K-1. TEXAS FIRST SCHOLARSHIP PROGRAM

Sec. 56.221. DEFINITIONS. Defines "coordinating board," "eligible institution," and "program."

Sec. 56.222. PURPOSE. Provides that the purpose of the Texas First Scholarship Program, in conjunction with the Texas Early High School Completion Program established under Section 28.0253, is to promote efficiency in the state public education system and incentivize the enrollment of high performing students at eligible institutions.

Sec. 56.223. ELIGIBILITY. Requires a student, to be eligible for an award under the program, to be a resident of this state as determined by THECB rules, to have graduated early from high school under the Texas First Early High School Completion Program established under Section 28.0253, and to comply with Section 28.0256 (Financial Aid Application Requirement for High School Graduation).

Sec. 56.224. ENTITLEMENT; CALCULATION OF AID; EXPIRATION. (a) Requires THECB to award to each eligible student state credit in an amount equal to:

(1) for a student who graduated from high school two or more semesters or the equivalent earlier than the student's high school cohort, the maximum annual TEXAS grant award determined by THECB for the applicable academic year under Section 56.307 (Grant Amount); or

(2) for a student who graduated from high school less than two semesters or the equivalent earlier than the student's high school cohort, half of the amount described by Subdivision (1).

(b) Prohibits the amount of state credit awarded to a student under the program from being considered in the calculation of any state or institutional need-based aid awards or the calculation of the student's overall financial need, unless the combination of the credit and other federal, state, and institutional financial aid for which the student would otherwise be eligible exceeds the estimated total cost of attendance at the eligible institution at which the student is enrolled.

(c) Requires THECB to issue to the student a certificate indicating the amount of the state credit awarded under this section.

(d) Provides that state credit awarded to a student under this section expires at the end of the first academic year following the student's graduation from high school.

Sec. 56.225. APPLICATION OF SCHOLARSHIP. Requires an eligible institution, on enrollment of an eligible student at the institution, to apply to the student's charges for tuition, mandatory fees, and other costs of attendance for the enrollment period an amount equal to the lesser of the amount of the state credit awarded to the student under Section 56.224, or the student's actual tuition, mandatory fees, and other costs of attendance at the institution.

Sec. 56.226. PAYMENT OF STATE CREDIT. (a) Requires THECB, at least once each year, to submit to the commissioner a report on state credit awarded under the program during the preceding academic year. Requires that the report include the name of each student who used the state credit during that academic year, the school district or open-enrollment charter school from which each student graduated from high school, and the amount of the state credit used by each student during that academic year.

(b) Requires the commissioner, as soon as practicable after receipt of the report under Subsection (a), to transfer to THECB an amount of funds equal to the total amount by which school district and open-enrollment charter school entitlements are reduced under Section 48.2642(b).

(c) Requires THECB, as soon as practicable after receipt of funds transferred under Subsection (b), to distribute to each eligible institution an amount of funds equal to the amount of state credit applied by the institution under Section 56.225 during the preceding academic year.

Sec. 56.227. RULES. Authorizes THECB to adopt rules necessary to implement this subchapter.

SECTION 4. Repealer: Subchapter K (Early High School Graduation Scholarship Program), Chapter 56, Education Code.

SECTION 5. (a) Requires TEA and THECB, as soon as practicable after the effective date of this Act, to take all actions necessary to implement the Texas First Early High School Completion Program established under Section 28.0253, Education Code, as amended by this Act, and requires THECB, as soon as practicable after the effective date of this Act, to adopt rules to administer Subchapter K-1, Chapter 56, Education Code, as added by this Act.

(b) Requires THECB to begin awarding scholarships under Subchapter K-1, Chapter 56, Education Code, as added by this Act, beginning with the 2021-2022 academic year.

SECTION 6. Provides that TEA and THECB are required to implement this Act only if the legislature appropriates money specifically for that purpose. Provides that if the legislature does not appropriate money specifically for that purpose, TEA and THECB are authorized, but not required, to implement this Act using other appropriations available for that purpose.

SECTION 7. Effective date: upon passage or September 1, 2021.