

BILL ANALYSIS

C.S.H.B. 2177
By: Stucky
Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Rising costs at universities are creating challenges for college students who continue to seek opportunities for cost savings. One potential solution to this issue is through innovation and cost-saving measures related to course materials, including through collaboration between publishers, campus book stores, and other industry representatives. C.S.H.B. 2177 seeks to provide for the establishment of a pilot program to award grants for the purposes of providing financial assistance to eligible students for the cost of accessing digital course materials.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 of this bill.

ANALYSIS

C.S.H.B. 2177 amends the Education Code to require the Texas Higher Education Coordinating Board (THECB) to establish a pilot program under which the THECB awards grants to participating public junior colleges, public technical institutes, or public state colleges to provide financial assistance to eligible students for the cost of accessing digital course materials, defined by the bill as a digital textbook, supplemental material, or open educational resource. The bill requires the THECB, as soon as practicable after the bill's effective date, to adopt rules necessary to administer the pilot program, including rules that establish the following:

- a methodology for selecting eligible institutions to participate in the program and allocating money appropriated for the program's purpose among those institutions that, to the greatest extent possible, results in a distribution of grant awards that, as follows:
 - reflects the varied geography and unique institutional missions in Texas; and
 - serves students who meet financial need requirements, as defined by the THECB for the Texas Educational Opportunity Grant Program, and other diverse student populations that characterize higher education in Texas; and
- criteria that participating institutions must use to evaluate digital course materials that may be accessed using program grants, which may include criteria regarding the following:
 - access to relevant technical support;
 - adherence to accessibility standards for students with disabilities;
 - positive impact on student outcomes;
 - immediate access and availability of the materials to all students enrolled at the institution;
 - faculty access to resources and training materials;
 - subscription-based models;
 - inclusive-access models; and

- supplemental resources that may be provided to assist students with career readiness workforce development.

The bill requires the THECB, in developing the rules, to solicit input from publishers, campus bookstore operators, and other relevant industry representatives. The bill's provisions expressly do not affect any authority granted by an eligible institution to a faculty member to select course materials for courses taught by the faculty member. The bill requires the THECB, not later than September 1, 2026, to submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each legislative standing committee with primary jurisdiction over higher education a report that evaluates the program's effectiveness in improving student outcomes and includes a recommendation regarding whether the pilot program should be continued, expanded, or terminated. The bill's provisions expire September 1, 2027. The bill requires the THECB to award initial grants beginning with the 2024 spring semester.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2023.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 2177 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute changes the purpose of the pilot program from providing financial assistance to eligible students for the cost of subscribing to the digital textbook and learning materials subscription program, as in the introduced, to providing financial assistance to students for the cost of accessing digital course materials.

Whereas the introduced required the THECB to select as program participants institutions in both rural and urban areas of Texas and prioritize institutions with large socially and economically disadvantaged and historically underrepresented student populations, the substitute requires the THECB to adopt rules establishing a methodology for selecting eligible institutions that results in a distribution of grant awards that reflects the state's varied geography and unique institutional missions and serves certain diverse student populations.

The substitute replaces the introduced version's requirements for eligible institutions to determine eligibility criteria for a student to receive financial assistance under the pilot program and to prioritize providing assistance to economically disadvantaged students with a provision requiring that THECB rules establish criteria that participating institutions must use to evaluate digital course materials that may be accessed using grants awarded under the program and setting out elements that may be included in the criteria.

The substitute omits the provision from the introduced that required the THECB to engage in a competitive bidding process to select the digital textbook and learning materials subscription and that required the selected subscription to provide 24-hour technical support services to subscribers.

The substitute includes provisions that were not in the introduced requiring the THECB, in developing the rules, to solicit input from relevant industry representatives and establishing that the bill's provisions do not affect a faculty member's authority to select course materials for applicable courses.

While both the introduced and the substitute require the THECB to award initial grants beginning with the 2024 spring semester, the substitute omits the requirement in the introduced for participating eligible institutions to award the initial grants beginning with the 2024 spring semester.