

## **BILL ANALYSIS**

Senate Research Center

C.S.H.B. 2920  
By: Paul; Tepper (Bettencourt)  
Education  
5/17/2023  
Committee Report (Substituted)

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

H.B. 2920 seeks to empower students and parents to become informed buyers when it comes to postsecondary education. Today, many students are entering college with an overestimation of post-graduate earnings and an underestimation of the cost of going to school. This has contributed to the student loan crisis as students borrow more than they can pay back.

The United States Department of Education estimates that over 3.4 million Texans have over \$120 billion in student loan debt.

H.B. 2920 seeks to provide prospective students with more transparent expectations of the costs of higher education.

Specifically, this bill will require the Texas Higher Education Coordinating Board (THECB) to prepare information comparing higher education institutes and programs and post it on the Texas Education Agency website.

The information will include:

- Total cost of tuition;
- Median student loan debt;
- Typical dept to-income ratio for alumni; and
- Graduation rates, transfer rates, and withdrawal rates.

(Original Author's/Sponsor's Statement of Intent)

The committee substitute to H.B. 2920 provides some clarifying language on what data is required:

- In 61.09022(1)(A), we added "total cost of attendance" to the list to reflect the sum of all costs needed for completion.
- In 61.09022(5)(B), we changed "graduation rate" to "completion rate" to ensure all postsecondary achievements are acknowledged

C.S.H.B. 2920 amends current law relating to the distribution, posting, or provision of information regarding postsecondary education and career opportunities and to the confidentiality of certain information relating to persons provided assistance in accessing postsecondary education.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 6 (Section 61.09022, Education Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 7.040(a), Education Code, as follows:

- (a) Requires that information prepared under Section 7.040 (Postsecondary Education and Career Opportunities) be made publicly available in a manner that is accessible to

any public or private school student seeking the information, rather than be given to a public school student who requests the information. Requires that the information:

(1) makes no changes to this subdivision;

(2) assist prospective postsecondary students in assessing the value of a certificate program, associate or baccalaureate degree program, or other credential program offered by an institution of higher education by comparing each institution with other institutions using information included in the electronic tools or platforms developed by the Texas Higher Education Coordinating Board (THECB) under Section 61.09022(a), rather than comparing each institution of higher education with other institutions regarding certain factors;

(3) makes a nonsubstantive change to this subdivision;

(4) include annual starting wage information and educational requirements for the top 25, rather than the top 10, highest demand jobs in this state, as identified by the Texas Workforce Commission (TWC);

(5) identify the 40 baccalaureate degree programs with the highest average annual wages following graduation; and

(6) identify the 20 associate degree or certificate programs with the highest average annual wages following graduation.

SECTION 2. Amends Section 51.762(b-1), Education Code, as follows:

(b-1) Requires that an electronic common admission application form adopted under Section 51.762 (Common Admission Application Forms) include a prominent link to the electronic tools or platforms developed by THECB under Section 61.09022, rather than a prominent link to comparative gainful employment data regarding institutions of higher education, including certain information.

SECTION 3. Amends Section 51.763(b), Education Code, as follows:

(b) Requires that the form meet certain criteria, including including a prominent link to the electronic tools or platforms developed by THECB under Section 61.09022, rather than a prominent link to comparative gainful employment data regarding institutions of higher education, including certain information.

SECTION 4. Amends the heading to Section 61.031, Education Code, to read as follows:

Sec. 61.031. PUBLIC INFORMATION AND COMPLAINTS.

SECTION 5. Amends Section 61.031, Education Code, by adding Subsection (d), as follows:

(d) Provides that information that relates to a current, former, or prospective applicant or student of an educational institution and that is obtained, received, or held by THECB for the purpose of providing assistance with access to postsecondary education, notwithstanding any other provision of law, is confidential and excepted from disclosure under Chapter 552 (Public Information), Government Code, and is authorized to be released only in conformity with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g). Authorizes THECB to withhold information prohibited from being disclosed under this subsection without requesting a decision from the attorney general under Subchapter G (Attorney General Decisions), Chapter 552, Government Code.

SECTION 6. Amends Subchapter C, Chapter 61, Education Code, by adding Section 61.09022, as follows:

Sec. 61.09022. INFORMATION TO ASSIST STUDENTS IN ASSESSING VALUE OF POSTSECONDARY CREDENTIALS. (a) Requires THECB, from money appropriated or otherwise available for the purpose, to develop one or more electronic tools or platforms to provide information to assist prospective postsecondary students in assessing the value of a certificate program, associate or baccalaureate degree program, or other credential program offered by an institution of higher education or private or independent institution of higher education by comparing each institution with other institutions regarding:

(1) the relative cost of obtaining the certificate, degree, or other credential, based on the most recent data available to THECB from TWC, institutions of higher education, the federal government, or any other source from which THECB is authorized to obtain reliable data, including:

(A) the cost for each of the following at the 25th percentile, the median, and the 75th percentile:

(i) total cost of attendance;

(ii) tuition and fees;

(iii) room and board;

(iv) books and supplies;

(v) transportation; and

(vi) other costs; and

(B) the estimated net cost remaining after subtracting from the amount described by Paragraph (A) the average amount of scholarship and grant aid awarded to the typical student for the program;

(2) the value of the certificate, degree, or other credential as measured by comparing:

(A) the median wage earned by students who graduated with the certificate, degree, or other credential from the institution; and

(B) the median student debt of students who graduated with the certificate, degree, or other credential from the institution as compared to the median student debt of all students who graduated with the certificate, degree, or other credential, based on the most recent data available to THECB from TWC, institutions of higher education, the federal government, or any other source from which THECB is authorized to obtain reliable data;

(3) the average student debt-to-income ratio of students who graduated with the certificate, degree, or other credential from the institution and have student debt, including the estimated monthly student loan payment, computed using the standard 10-year repayment plan;

(4) progress on repaying student loans by students who graduated with the certificate, degree, or other credential from the institution; and

(5) educational outcomes for students seeking the certificate, degree, or other credential, including:

(A) for a program designed to be completed in more than one year, the percentage of students who continue in the program after the first year of study;

(B) the completion rate;

(C) the percentage of students who withdraw or transfer from the institution and subsequently graduate with the certificate, degree, or other credential from another institution of higher education or private or independent institution of higher education;

(D) the percentage of students who withdraw from the institution and do not enroll in the program at another institution of higher education or private or independent institution of higher education within three years of the withdrawal; and

(E) the percentage of graduates employed in the top five industries in this state, as identified by TWC, by certificate program, degree program, or other credential program within one year of graduation.

(c) Authorizes THECB to solicit and accept gifts, grants, and donations from any public or private source to implement this section.

(d) Requires THECB to adopt rules as necessary to implement this section.

SECTION 7. Transfers Section 7.040(c), Education Code, to Section 61.09022, Education Code, as added by this Act, redesignates it as Section 61.09022(b), Education Code, and amends it, as follows:

(b) Requires each institution of higher education to include on its Internet website, in a prominent location that is not more than three hyperlinks from the website's home page, a link to the electronic tools or platforms developed by THECB, rather than a link to the information posted on the Texas Education Agency's Internet website, under Subsection (a).

SECTION 8. Amends Section 2308A.007, Government Code, by adding Subsection (a-1), as follows:

(a-1) Requires that a credential library established under Section 2308A.007 (Credential Library) include the information included in the electronic tools or platforms developed by THECB under Section 61.09022(a), Education Code.

SECTION 9. Effective date: upon passage or September 1, 2023.