Creighton, et al. By: (Shaheen)

S.B. No. 37

Substitute the following for S.B. No. 37:

By: Lambert C.S.S.B. No. 37

A BILL TO BE ENTITLED

AN ACT

2	relating	to	the	governance	of	public	institutions	of	highe

- education, including review of curriculum and certain degree and 3
- certificate programs, a faculty council or senate, training for 4
- members of the governing board, and the establishment, powers, and
- duties of the Texas Higher Education Coordinating Board Office of 6
- the Ombudsman. 7

1

- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 8
- ARTICLE 1. CURRICULUM AND ACADEMIC PROGRAMS 9
- SECTION 1.01. Subchapter F, Chapter 51, Education Code, is 10
- amended by adding Section 51.315 to read as follows: 11
- 12 Sec. 51.315. GENERAL EDUCATION CURRICULUM REVIEW. (a) In
- this section: 13
- (1) "General education curriculum" means a core 14
- curriculum, as that term is defined by Section 61.821, and any other 15
- curriculum or competency all undergraduate students of an 16
- institution of higher education are required to complete before 17
- receiving an undergraduate degree. 18
- (2) "Governing board" and "institution of higher 19
- education" have the meanings assigned by Section 61.003. 20
- 21 (b) At least once every five years, the governing board of
- each institution of higher education shall conduct a comprehensive 22
- 23 review of the general education curriculum established by the
- institution. In reviewing an institution's general education 24

- 1 curriculum, the governing board shall ensure courses in the
- 2 curriculum:
- 3 (1) are foundational and fundamental to a sound
- 4 postsecondary education;
- 5 (2) are necessary to prepare students for civic and
- 6 professional life;
- 7 (3) equip students for participation in the workforce
- 8 and in the betterment of society;
- 9 (4) ensure a breadth of knowledge in compliance with
- 10 applicable accreditation standards; and
- 11 (5) do not advocate or promote the idea that any race,
- 12 sex, or ethnicity or any religious belief is inherently superior to
- 13 any other race, sex, or ethnicity or any other religious belief.
- 14 (c) In reviewing the general education curriculum of an
- institution of higher education under Subsection (b), the governing
- 16 board of the institution shall consider the potential costs the
- 17 curriculum may impose on students, including for additional
- 18 tuition, fees, and time a student must spend to complete an
- 19 undergraduate degree program at the institution.
- 20 (d) Each institution of higher education shall annually
- 21 submit to the governing board of the institution an update
- 22 regarding any changes to the general education curriculum offered
- 23 at the institution. The governing board may reserve the right to
- 24 overturn any decision made by the institution regarding any changes
- 25 to the general education curriculum offered at the institution.
- 26 (e) The governing board of an institution of higher
- 27 education may appoint a committee to assist the governing board in

- 1 carrying out its duties under this section, including by making
- 2 recommendations to the governing board. Members of the committee
- 3 may include:
- 4 (1) faculty employed full time by the institution;
- 5 (2) institution administrators;
- 6 <u>(3) community leaders;</u>
- 7 <u>(4) industry representatives; and</u>
- 8 (5) other individuals selected by the governing board.
- 9 (f) Not later than January 1 of each year a review is
- 10 conducted under this section, the governing board of each
- 11 institution of higher education shall certify the governing board's
- 12 compliance with this section to the Texas Higher Education
- 13 Coordinating Board and each standing legislative committee and
- 14 subcommittee with primary jurisdiction over higher education.
- 15 SECTION 1.02. Section 51.354, Education Code, is amended to
- 16 read as follows:
- 17 Sec. 51.354. INSTITUTIONAL <u>AUTHORITY AND</u> RESPONSIBILITY.
- 18 (a) The final decision-making authority on matters regarding an
- 19 institution of higher education's degree programs and curricula
- 20 belongs to the institution. The institution shall make the
- 21 decisions on those matters under the direction of the institution's
- 22 governing board.
- 23 <u>(b)</u> In addition to specific responsibilities imposed by
- 24 this code or other law, each institution of higher education has the
- 25 general responsibility to serve the public and, within the
- 26 institution's role and mission, to:
- 27 (1) transmit culture through general education;

- 1 (2) extend knowledge;
- 2 (3) teach and train students for professions;
- 3 (4) provide for scientific, engineering, medical, and
- 4 other academic research;
- 5 (5) protect intellectual exploration and academic
- 6 freedom;
- 7 (6) strive for intellectual excellence;
- 8 (7) provide educational opportunity for all who can
- 9 benefit from postsecondary education and training; and
- 10 (8) provide continuing education opportunities.
- SECTION 1.03. Subchapter Z, Chapter 51, Education Code, is
- 12 amended by adding Section 51.989 to read as follows:
- 13 Sec. 51.989. REVIEW OF MINOR DEGREE AND CERTIFICATE
- 14 PROGRAMS. (a) In this section, "governing board" and "institution
- of higher education" have the meanings assigned by Section 61.003.
- 16 (b) The president or chief executive officer of an
- 17 institution of higher education shall adopt and implement a process
- 18 for reviewing minor degree and certificate programs offered by the
- 19 institution to identify programs with low enrollment that may
- 20 require consolidation or elimination.
- 21 <u>(c) The criteria for review under Subsection (b) must</u>
- 22 require that minor degree and certificate programs have specific
- 23 industry data to substantiate workforce demand to avoid
- 24 consideration for consolidation or elimination.
- 25 (d) A minor degree or certificate program that has operated
- 26 less than five years at the time the president or chief executive
- 27 officer of an institution of higher education conducts the review

- 1 under this section is exempt from that review.
- 2 (e) The governing board of an institution of higher
- 3 <u>education shall approve or deny any decision made by the president</u>
- 4 or chief executive officer of the institution to consolidate or
- 5 eliminate a minor degree or certificate program as a result of the
- 6 review conducted under this section.
- 7 (f) The president or chief executive officer of an
- 8 institution of higher education shall conduct a review under this
- 9 section once every five years.
- SECTION 1.04. Section 61.052, Education Code, is amended by
- 11 adding Subsection (a-1) to read as follows:
- 12 (a-1) A governing board may exclude from the comprehensive
- 13 list of courses submitted under Subsection (a) courses that were
- 14 not taught as an organized class or provided through individual
- 15 <u>instruction for the preceding two academic years.</u>
- SECTION 1.05. Subchapter C, Chapter 61, Education Code, is
- 17 amended by adding Section 61.0522 to read as follows:
- 18 Sec. 61.0522. GENERAL EDUCATION CURRICULUM ADVISORY
- 19 COMMITTEE. (a) In this section:
- 20 (1) "Advisory committee" means the general education
- 21 curriculum advisory committee established under this section.
- 22 (2) "General education curriculum" has the meaning
- 23 <u>assigned by Section 51.315.</u>
- (b) The board shall establish an advisory committee to
- 25 review the general education curriculum requirements of
- 26 institutions of higher education.
- 27 (c) The board shall call for nominations from presidents or

- 1 chief executive officers, chancellors, and chief academic officers
- 2 at all institutions of higher education for representatives to
- 3 serve on the advisory committee. The board shall select a number of
- 4 representatives determined by the board from those nominated with
- 5 nominees drawn equally from two-year and four-year institutions.
- 6 (d) The advisory committee shall consider methods for
- 7 <u>determining general education curriculum component courses and for</u>
- 8 condensing the number of general education curriculum courses
- 9 required at institutions of higher education.
- 10 (e) Not later than November 1, 2026, the advisory committee
- 11 shall produce a report regarding the advisory committee's findings
- 12 and recommendations under this section and provide the report to
- 13 the board.
- 14 (f) Not later than December 31, 2026, the board shall review
- 15 the advisory committee's report and submit to the legislature the
- 16 board's recommendations for legislative or other action necessary
- 17 to implement the findings of the report.
- 18 (g) The advisory committee is abolished and this section
- 19 expires September 1, 2027.
- SECTION 1.06. Not later than January 1, 2027, the governing
- 21 board of each public institution of higher education shall:
- (1) complete the governing board's initial review in
- 23 accordance with Section 51.315, Education Code, as added by this
- 24 Act; and
- 25 (2) certify compliance with Section 51.315, Education
- 26 Code, as added by this Act, as required by Subsection (f) of that
- 27 section.

1 ARTICLE 2. INSTITUTIONAL GOVERNANCE

- 2 SECTION 2.01. Section 51.352, Education Code, is amended by
- 3 amending Subsection (d) and adding Subsections (g) and (h) to read
- 4 as follows:
- 5 (d) In addition to powers and duties specifically granted by
- 6 this code or other law, each governing board shall:
- 7 (1) establish, for each institution under its control
- 8 and management, goals consistent with the role and mission of the
- 9 institution;
- 10 (2) appoint the chancellor or other chief executive
- 11 officer of the system, if the board governs a university system;
- 12 (3) appoint the president or other chief executive
- 13 officer of each institution under the board's control and
- 14 management and evaluate the chief executive officer of each
- 15 component institution and assist the officer in the achievement of
- 16 performance goals;
- 17 (4) approve or deny the hiring of an individual for the
- 18 position of provost or deputy, associate, or assistant provost by
- 19 each institution under the board's control and management;
- 20 (5) collaborate with institutions under its control
- 21 and management to set campus admission standards consistent with
- 22 the role and mission of the institution and considering the
- 23 admission standards of similar institutions nationwide having a
- 24 similar role and mission, as determined by the coordinating board;
- 25 and
- (6) $[\frac{(5)}{(5)}]$ ensure that its formal position on matters
- 27 of importance to the institutions under its governance is made

- 1 clear to the coordinating board when such matters are under
- 2 consideration by the coordinating board.
- 3 (g) The governing board of an institution of higher
- 4 education may overturn any hiring decision for the position of vice
- 5 president or dean made by the administration of a campus under the
- 6 board's control and management. Action by the governing board
- 7 under this subsection shall be implemented by the institution
- 8 through appropriate action with respect to the relevant hiring
- 9 decision at issue, including recission of an employment offer,
- 10 termination of employment, or termination of an employment
- 11 agreement.
- 12 (h) The governing board of each institution of higher
- 13 education shall annually submit to the governor, the lieutenant
- 14 governor, the speaker of the house of representatives, and each
- 15 member of the legislature a report regarding decisions made by the
- 16 governing board for the applicable academic year on any hiring of
- 17 administration in which the board approved or denied the hiring
- 18 decision or took action under Subsection (g).
- 19 SECTION 2.02. Subchapter G, Chapter 51, Education Code, is
- 20 amended by adding Sections 51.3522, 51.3523, and 51.3541 to read as
- 21 follows:
- Sec. 51.3522. FACULTY COUNCIL OR SENATE. (a) In this
- 23 section, "faculty council or senate" means a representative faculty
- 24 organization.
- 25 (b) Only the governing board of an institution of higher
- 26 education may establish a faculty council or senate at the
- 27 institution. Before establishing the faculty council or senate,

- 1 the governing board must adopt a policy governing the selection of
- 2 the faculty council's or senate's members that:
- 3 (1) ensures adequate representation of each college
- 4 and school of the institution;
- 5 (2) requires the members to be faculty members; and
- 6 (3) except as otherwise provided by the governing
- 7 board, limits the number of members to not more than 60 with at
- 8 least two representatives from each college or school, including:
- 9 (A) one member appointed by the president or
- 10 chief executive officer of the institution; and
- 11 (B) the remaining members elected by a vote of
- 12 the faculty of the member's respective college or school.
- 13 (c) A faculty council or senate is advisory only and may not
- 14 be delegated the final decision-making authority on any matter. A
- 15 <u>faculty council or senate shall represent the entire faculty of the</u>
- 16 <u>institution</u> of higher education and advise the institution
- 17 administration and any system administration regarding matters
- 18 related to the general welfare of the institution. A faculty
- 19 council or senate may not issue any statement or publish a report
- 20 using the institution's official seal, trademark, or resources
- 21 <u>funded by the institution on any matter not directly related to the</u>
- 22 <u>council's or senate's duties to advise the institution</u>
- 23 <u>administration</u>.
- 24 (d) Service on the faculty council or senate is an
- 25 additional duty of the faculty member's employment. Members of the
- 26 faculty council or senate are not entitled to compensation or
- 27 reimbursement of expenses for their role as members of the faculty

- 1 council or senate unless the expense is on behalf of and approved by
- 2 the institution of higher education.
- 3 (e) A member of the faculty council or senate appointed by
- 4 the president or chief executive officer of the institution of
- 5 higher education in accordance with Subsection (b)(3)(A) may serve
- 6 up to six consecutive one-year terms and then may only be
- 7 reappointed after the second anniversary of the last day of the
- 8 member's most recent term. A member of the faculty council or
- 9 senate elected by a vote of the faculty of the member's respective
- 10 college or school serves a two-year term, staggered in a manner that
- 11 allows approximately one-half of the elected members to be elected
- 12 each year, and may only be reelected after the second anniversary of
- 13 <u>the last day of the member's most recent term.</u>
- 14 (f) A faculty member serving on the faculty council or
- 15 <u>senate may be immediately removed from the council or senate for</u>
- 16 <u>failing to conduct the member's responsibilities within the</u>
- 17 council's or senate's parameters, failing to attend council or
- 18 senate meetings, or engaging in other similar misconduct. A member
- 19 of a faculty council or senate may be removed on recommendation of
- 20 the institution's provost and approval by the institution's
- 21 president or chief executive officer.
- 22 (g) The president or chief executive officer of the
- 23 institution of higher education shall appoint a presiding officer,
- 24 associate presiding officer, and secretary from the members of the
- 25 faculty council or senate.
- 26 (h) The presiding officer appointed under Subsection (g)
- 27 shall preside over meetings of the faculty council or senate and

- 1 represent the council or senate in official communications with the
- 2 institution administration and any system administration.
- 3 (i) Chapter 2110, Government Code, does not apply to a
- 4 faculty council or senate.
- 5 (j) The faculty council or senate shall conduct meetings at
- 6 which a quorum is present in a manner that is open to the public and
- 7 in accordance with procedures prescribed by the president or chief
- 8 executive officer of the institution of higher education.
- 9 (k) The faculty council or senate shall broadcast over the
- 10 Internet live video and audio, as applicable, of each open meeting
- 11 of the council or senate if more than 50 percent of the members of
- 12 the council or senate are in attendance.
- (1) The faculty council or senate shall adopt rules for
- 14 establishing a quorum.
- 15 (m) The following shall be made available to the public on
- 16 the institution of higher education's Internet website not later
- 17 than the seventh day before a meeting of the faculty council or
- 18 senate:
- 19 (1) an agenda for the meeting with sufficient detail
- 20 to indicate the items that are to be discussed or that will be
- 21 subject to a vote; and
- 22 (2) any curriculum proposals reviewed by the council
- 23 or senate that will be discussed or voted on at the meeting.
- 24 (n) The names of the members in attendance must be recorded
- 25 at a meeting in which the faculty council or senate conducts
- 26 business related to:
- 27 (1) a vote of no confidence regarding an institution

- 1 or system administrator; or
- 2 (2) policies related to curriculum and academic
- 3 standards.
- 4 (o) This section may not be construed to limit a faculty
- 5 member of an institution of higher education from exercising the
- 6 <u>faculty member's right to freedom of association protected by the</u>
- 7 <u>United States Constitution or Texas Constitution.</u>
- 8 Sec. 51.3523. SHARED GOVERNANCE. (a) In this section,
- 9 "governing board" and "institution of higher education" have the
- 10 meanings assigned by Section 61.003.
- 11 (b) Institutions of higher education in this state shall be
- 12 governed by a principle of shared governance, which refers to a
- 13 structured decision-making process in which the governing board of
- 14 the institution exercises ultimate authority and responsibility
- 15 for institutional oversight, financial stewardship, and policy
- 16 implementation, while allowing for appropriate consultation with
- 17 faculty, administrators, and other stakeholders on matters related
- 18 to academic policy and institutional operations. The principle of
- 19 shared governance may not be construed to diminish the authority of
- 20 the governing board to make final decisions in the best interest of
- 21 the institution, students, and taxpayers.
- (c) Administrators at institutions of higher education must
- 23 make decisions in a manner that promotes efficiency,
- 24 accountability, and responsiveness to state priorities, workforce
- 25 needs, and the institution's institutional mission. Faculty and
- 26 staff may provide recommendations on academic matters, but that
- 27 input is only advisory in nature, ensuring that governing boards

- 1 and institutional leadership retain clear and ultimate
- 2 decision-making authority. Shared governance structures may not be
- 3 used to obstruct, delay, or undermine necessary institutional
- 4 reforms or serve as a mechanism for advancing ideological or
- 5 political agendas.
- 6 Sec. 51.3541. RESPONSIBILITY OF PRESIDENT OR CHIEF
- 7 EXECUTIVE OFFICER. (a) In this section, "governing board" and
- 8 "institution of higher education" have the meanings assigned by
- 9 Section 61.003.
- 10 (b) The president or chief executive officer of an
- 11 institution of higher education shall conduct annual evaluations
- 12 for individuals who hold the positions of vice president, provost,
- 13 dean, or a similar leadership position that oversees curriculum or
- 14 student affairs for the institution and report to the institution's
- 15 governing board regarding any decision to remove an individual from
- 16 <u>a position described by this subsection.</u>
- 17 SECTION 2.03. Section 51.913, Education Code, is amended by
- 18 amending Subsection (a) and adding Subsection (c) to read as
- 19 follows:
- 20 (a) <u>In [As used in]</u> this section:
- 21 (1) "Executive [, the term "executive] search
- 22 committee" $\underline{\text{means}}$ [$\underline{\text{shall mean}}$] a committee formed by an act of a
- 23 board of regents of an institution of higher education, which has as
- 24 its primary purpose the evaluation and assessment of candidates and
- 25 nominees for the position of <u>president or</u> chief executive officer
- 26 of a system administration, institution of higher education, or
- 27 other agency of higher education [as defined in Section 61.003 of

- 1 this code].
- 2 (2) "Institution of higher education" and "other
- 3 agency of higher education" have the meanings assigned by Section
- 4 61.003.
- 5 (c) The membership of an executive search committee for a
- 6 president or chief executive officer of an institution of higher
- 7 education must include at least two members of the institution's
- 8 governing board with at least one of those members serving as the
- 9 chair.
- SECTION 2.04. Subchapter Z, Chapter 51, Education Code, is
- 11 amended by adding Section 51.9431 to read as follows:
- 12 Sec. 51.9431. GRIEVANCE, HIRING, AND DISCIPLINE
- 13 DECISION-MAKING AUTHORITY. (a) In this section, "institution of
- 14 <u>higher education" and "university system" have the meanings</u>
- 15 <u>assigned by Section 61.003.</u>
- 16 (b) Only the president or chief executive officer or provost
- 17 of an institution of higher education, university system
- 18 administration, or the president's or chief executive officer's,
- 19 provost's, or administration's designee may be involved in
- 20 decision-making regarding review of a faculty grievance, including
- 21 under Section 51.960, or the faculty discipline process.
- (c) A faculty member of an institution of higher education
- 23 who does not serve in an administrative leadership position may not
- 24 have final decision-making authority on the hiring of an individual
- 25 for any faculty or administrative leadership position at the
- 26 institution.

- 1 ARTICLE 3. COORDINATION AND OVERSIGHT OF INSTITUTIONS OF HIGHER
- 2 EDUCATION
- 3 SECTION 3.01. Section 61.031, Education Code, is reenacted
- 4 and amended to read as follows:
- 5 Sec. 61.031. OFFICE OF OMBUDSMAN [PUBLIC INFORMATION AND
- 6 COMPLAINTS]. (a) In this section:
- 7 (1) "Office" means the Texas Higher Education
- 8 Coordinating Board Office of the Ombudsman established under this
- 9 section.
- 10 (2) "Ombudsman" means the individual serving as
- 11 ombudsman for the office.
- 12 (b) The board shall establish the Texas Higher Education
- 13 Coordinating Board Office of the Ombudsman to serve as an
- 14 intermediary between the legislature and the public and
- 15 institutions of higher education, including by answering questions
- 16 from the legislature and the public regarding the obligations of an
- 17 institution of higher education to students, faculty, employees,
- 18 and the public. The office shall perform the functions described by
- 19 this section and coordinate the board's compliance monitoring
- 20 functions under Section 61.035. The ombudsman shall serve as the
- 21 director of compliance and monitoring.
- 22 (b-1) The governor, with the advice and consent of the
- 23 senate, shall appoint a person to serve as ombudsman. The ombudsman
- 24 serves at the pleasure of the governor.
- 25 <u>(c) The office shall receive and, if necessary, investigate</u>
- 26 complaints submitted in accordance with Subsection (d) regarding an
- 27 institution of higher education's failure to comply with:

```
1
              (1) <u>Section 51.315;</u>
2
              (2)
                   Section 51.3522;
3
              (3) Section 51.3525;
4
              (4) Section 51.3541;
5
              (5) Section 51.9431; and
              (6) Section 61.0522.
6
         (d) A student or faculty or staff member at an institution
7
8
   of higher education who has reason to believe an institution of
   higher education has failed to comply with a provision listed under
9
   Subsection (c) may submit a written complaint to the office that:
10
              (1) provides the individual's name and contact
11
12
   information;
               (2) states the specific statute the individual
13
14
   believes has been violated; and
15
              (3) includes specific facts supporting
                                                                the
   allegation, including:
16
17
                    (A) relevant dates;
                    (B) identifying information regarding
18
                                                                the
   individuals involved; and
19
20
                    (C) any supporting evidence in the individual's
   possession.
21
         (d-1) An individual is not eligible to file a complaint
22
   under Subsection (d) if the individual has filed with another state
23
   agency, a federal agency, or a court, as applicable, one of the
24
   following against the institution of higher education that is the
25
26
   subject of the complaint:
27
               (1) a lawsuit that makes the same or similar
```

- 1 allegations or arises out of the same factual situation; or
- 2 (2) an administrative complaint that makes the same or
- 3 similar allegations or arises out of the same factual situation.
- 4 (d-2) The office shall dismiss any complaint that the office
- 5 determines was filed in violation of Subsection (d-1).
- 6 (d-3) An individual who knowingly submits a false complaint
- 7 under Subsection (d) shall be held responsible for any costs
- 8 incurred by the office in conducting an investigation resulting
- 9 from the false complaint. The office may refuse to investigate a
- 10 future complaint filed by an individual who is found to have
- 11 knowingly filed a false complaint.
- 12 (e) The office [board] shall maintain a file on each written
- 13 complaint filed with the board. The file must include:
- 14 (1) the name of the individual [person] who filed the
- 15 complaint;
- 16 (2) the date the complaint is received by the board;
- 17 (3) the subject matter of the complaint;
- 18 (4) the name of each individual [person] contacted in
- 19 relation to the complaint;
- 20 (5) a summary of the results of the review or
- 21 investigation of the complaint; and
- 22 (6) an explanation of the reason the file was closed,
- 23 if the office [board] closed the file without taking action other
- 24 than to investigate the complaint.
- 25 (f) [(b)] The office [board] shall provide to the
- 26 individual [person] filing the complaint and to each individual
- 27 alleged to be involved in the failure to comply [person who is a

1 subject of the complaint a copy of the office's [board's] policies

- 2 and procedures relating to complaint investigation and resolution.
- 3 (g) The office shall notify the governing board of the
- 4 institution of higher education that is the subject of a complaint
- 5 of noncompliance that meets the requirements under Subsection (d)
- 6 not later than the fifth day after the date the office receives the
- 7 complaint. The governing board of the institution shall respond to
- 8 the complaint not later than the 175th day after the date the
- 9 governing board receives the notice unless the office has granted
- 10 an extension for good cause.
- 11 (h) In investigating a complaint of noncompliance regarding
- 12 an institution of higher education received under this section, the
- 13 office may request information from the institution. The governing
- 14 board of the institution shall respond in writing to the office's
- 15 written request for information not later than the 30th day after
- 16 the date the institution receives the request. This subsection may
- 17 not be construed to require an institution to provide privileged
- 18 information to the office.
- (i) Based on findings related to an investigation under this
- 20 section, the office shall submit to the governing board of the
- 21 <u>institution of higher education that is the subject of an</u>
- 22 investigation under this section a report on the investigation that
- 23 includes the office's final determination regarding the
- 24 investigation and recommendations based on the conclusions of the
- 25 investigation.
- (j) $[\frac{(c)}{(c)}]$ The office $[\frac{board}{(c)}]$, at least quarterly until
- 27 final disposition of the complaint, shall notify the individual

- 1 [person] filing the complaint and each individual alleged to be
- 2 involved in the failure to comply [person who is a subject of the
- 3 complaint] of the status of the investigation unless the notice
- 4 would jeopardize an undercover investigation.
- 5 (k) If, not later than the 180th day after the date the
- 6 office submits the report under Subsection (i) to the governing
- 7 board of an institution of higher education that is the subject of
- 8 <u>an investigation under this section, the office determines the</u>
- 9 governing board has not resolved any noncompliance issues
- 10 identified in the report, the office shall submit to the ombudsman
- 11 and state auditor a report on the noncompliance that includes the
- 12 <u>office's recommendations.</u>
- (1) On receipt of a report under Subsection (k), the
- 14 ombudsman may recommend to the legislature that the institution of
- 15 higher education not be allowed to spend money appropriated to the
- 16 <u>institution</u> for a state fiscal year until the institution's
- 17 governing board certifies compliance and the state auditor confirms
- 18 the institution's compliance.
- (m) [(d)] Notwithstanding any other provision of law,
- 20 information that relates to a current, former, or prospective
- 21 applicant or student of an educational institution and that is
- 22 obtained, received, or held by the office [board] for the purpose of
- 23 providing assistance with access to postsecondary education is
- 24 confidential and excepted from disclosure under Chapter 552,
- 25 Government Code, and may only be released in conformity with the
- 26 Family Educational Rights and Privacy Act of 1974 (20 U.S.C.
- 27 Section 1232g). The office [board] may withhold information

- 1 prohibited from being disclosed under this subsection without
- 2 requesting a decision from the attorney general under Subchapter G,
- 3 Chapter 552, Government Code.
- 4 <u>(n) The office may:</u>
- 5 (1) issue a civil investigative demand in the same
- 6 manner as the procedures prescribed by Subchapter B, Chapter 140B,
- 7 Civil Practice and Remedies Code, for civil investigative demands
- 8 issued by the attorney general or a local prosecuting attorney
- 9 under that subchapter; and
- 10 (2) require cooperation from an institution of higher
- 11 education in an investigation under this section if the office
- 12 determines a complaint of noncompliance with a provision listed
- 13 under Subsection (c) is credible.
- 14 (o) The office shall annually submit a report to the
- 15 governor, the lieutenant governor, the state auditor, and the chair
- 16 of each standing legislative committee with jurisdiction over
- 17 higher education regarding:
- 18 <u>(1) the number of complaints of noncompliance with a</u>
- 19 provision listed under Subsection (c) received by the office;
- 20 (2) the number of investigations conducted and
- 21 substantiated by the office; and
- 22 (3) a summary of the results of investigations
- 23 <u>described by Subdivision (2).</u>
- SECTION 3.02. Section 61.0512(c), Education Code, is
- 25 amended to read as follows:
- 26 (c) The board shall review each degree or certificate
- 27 program offered by an institution of higher education at the time

- 1 the institution requests to implement a new program to ensure that
- 2 the program:
- 3 (1) meets a national need or is needed by the state and
- 4 the local community, and does not unnecessarily duplicate programs
- 5 offered by other institutions of higher education or private or
- 6 independent institutions of higher education;
- 7 (2) has adequate financing from legislative
- 8 appropriation, funds allocated by the board, or funds from other
- 9 sources;
- 10 (3) has necessary faculty and other resources to
- 11 ensure student success; and
- 12 (4) meets academic standards specified by law or
- 13 prescribed by board rule, including rules adopted by the board for
- 14 purposes of this section, or workforce standards established by the
- 15 Texas Workforce Investment Council.
- SECTION 3.03. Section 61.084, Education Code, is amended by
- 17 amending Subsection (d) and adding Subsection (i) to read as
- 18 follows:
- 19 (d) The content of the instruction at the training program
- 20 shall focus on the official role and duties of the members of
- 21 governing boards and shall provide training in the areas of
- 22 budgeting, policy development, ethics, and governance. Topics
- 23 covered by the training program must include:
- 24 (1) auditing procedures and recent audits of
- 25 institutions of higher education;
- 26 (2) the enabling legislation that creates
- 27 institutions of higher education;

```
C.S.S.B. No. 37
```

- 1 (3) the role of the governing board at institutions of
- 2 higher education and the relationship between the governing board
- 3 and an institution's administration, faculty and staff, and
- 4 students, including limitations on the authority of the governing
- 5 board;
- 6 (4) the mission statements of institutions of higher
- 7 education;
- 8 (5) disciplinary and investigative authority of the
- 9 governing board;
- 10 (6) the requirements of the open meetings law, Chapter
- 11 551, Government Code, and the open records law, Chapter 552,
- 12 Government Code;
- 13 (7) the requirements of conflict of interest laws and
- 14 other laws relating to public officials;
- 15 (8) any applicable ethics policies adopted by
- 16 institutions of higher education or the Texas Ethics Commission;
- 17 (9) the requirements of laws relating to the
- 18 protection of student information under the Family Educational
- 19 Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g) or any
- 20 other federal or state law relating to the privacy of student
- 21 information; [and]
- 22 (10) an overview of the legislature, the General
- 23 Appropriations Act, and the state budget as those topics relate to
- 24 the responsibilities of the governing board;
- 25 (11) an emphasis on the commitment the members of the
- 26 governing board are making to:
- 27 (A) the institutions of higher education under

- 1 the board's control and management and, if applicable, the
- 2 university system;
- 3 (B) this state; and
- 4 (C) taxpayers of this state; and
- $\underline{(12)}$ any other topic relating to higher education the
- 6 board considers important.
- 7 (i) On completion of a training program under this section,
- 8 <u>a member of a governing board shall provide a sworn statement</u>
- 9 affirming the member's understanding of the member's duties and
- 10 responsibilities.
- 11 ARTICLE 4. APPLICABILITY; EFFECTIVE DATE
- 12 SECTION 4.01. (a) Except as provided by Subsection (b) of
- 13 this section, this Act applies beginning January 1, 2026.
- 14 (b) A faculty council or senate established at a public
- 15 institution of higher education before the effective date of this
- 16 Act is abolished on September 1, 2025, unless:
- 17 (1) the faculty council or senate was established in
- 18 the manner prescribed by Section 51.3522, Education Code, as added
- 19 by this Act; or
- 20 (2) the faculty council's or senate's continuation is
- 21 ratified by the institution's governing board before that date
- 22 based on a finding by the governing board that the faculty council
- 23 or senate meets the requirements of any policy adopted by the
- 24 governing board under that section.
- 25 (c) A faculty council or senate authorized but not yet
- 26 established at a public institution of higher education before the
- 27 effective date of this Act may be established only in the manner

- 1 prescribed by Section 51.3522, Education Code, as added by this
- 2 Act.
- SECTION 4.02. This Act takes effect September 1, 2025.