

By: Hagenbuch

S.B. No. 1322

A BILL TO BE ENTITLED

AN ACT

relating to the accreditation of public institutions of higher education.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 51, Education Code, is amended by adding Subchapter G-1 to read as follows:

SUBCHAPTER G-1. ACCREDITATION OF INSTITUTIONS OF HIGHER EDUCATION

Sec. 51.371. DEFINITIONS. In this subchapter:

(1) "Accrediting agency" means any organization, association, or other entity that accredits postsecondary educational institutions.

(2) "Commission" means the Texas Higher Education Accreditation Commission established by this subchapter.

(3) "Coordinating board" means the Texas Higher Education Coordinating Board.

(4) "Institution of higher education" has the meaning assigned by Section 61.003.

Sec. 51.372. TEXAS HIGHER EDUCATION ACCREDITATION COMMISSION. (a) The commission is administratively attached to the coordinating board and directly accountable to the governor.

(b) The commission is composed of nine members of the public appointed as follows:

(1) three members appointed by the governor;

(2) three members appointed by the lieutenant

1 governor; and

2 (3) three members appointed by the speaker of the  
3 house of representatives.

4 (c) Members serve four-year terms and may not be removed  
5 except by the person who appointed the member for wilful neglect of  
6 duty or malfeasance.

7 (d) The governor shall appoint one member of the commission  
8 as the presiding officer.

9 (e) The presiding officer shall:

10 (1) convene meetings of the commission; and

11 (2) coordinate and direct the activities of the  
12 commission.

13 (f) At least two of the three commission members appointed  
14 under Subsections (b)(1), (2), and (3) must be employers or  
15 representatives of an association of employers in a target  
16 occupations field, as determined by the Texas Workforce Commission.

17 (g) A person may not serve on the commission if the person  
18 was employed by an accreditor recognized by the United States  
19 Department of Education at any time during the five years preceding  
20 the date on which the person would be appointed to the commission.

21 (h) A member of the commission is not entitled to  
22 compensation but is entitled to reimbursement for the travel  
23 expenses incurred by the member while transacting commission  
24 business, as provided by the General Appropriations Act.

25 (i) The commission is subject to Chapters 551, 552, and  
26 2001, Government Code.

27 Sec. 51.373. APPROVAL AND REVIEW OF ACCREDITING AGENCIES.

1 (a) The commission shall identify and approve at least three  
2 accrediting agencies best suited to serve as accreditors for  
3 institutions of higher education.

4 (b) Subject to Subsections (c) and (d), the commission shall  
5 conduct a biennial evaluation of approved accrediting agencies.  
6 The evaluation must rate each agency as unsatisfactory,  
7 satisfactory, or exemplary based on evaluation standards  
8 established by the commission. The commission shall publish the  
9 evaluation standards on a publicly accessible Internet website.

10 (c) If an institution of higher education seeks  
11 accreditation from a recognized accrediting agency, as defined by  
12 Section 61.003, that the commission has not reviewed, the  
13 commission shall evaluate the accrediting agency under Subsection  
14 (b) not later than the fifth anniversary of the date the institution  
15 receives accreditation from the accrediting agency.

16 (d) If at the time the commission would be required to  
17 conduct an evaluation of an accrediting agency under Subsection (b)  
18 the commission does not have sufficient information to conduct the  
19 evaluation, the commission shall conduct the evaluation of the  
20 accrediting agency as soon as practicable after obtaining the  
21 necessary information.

22 (e) The commission's evaluation of each approved  
23 accrediting agency must include an assessment of:

24 (1) evidence demonstrating the agency's focus on  
25 educational and labor market outcomes for students attending an  
26 institution accredited by the agency, including:

27 (A) the percentage of students who return to the

1 accredited institution after completing their first year of study;

2 (B) degree or credential completion and  
3 graduation rates;

4 (C) the percentage of institution graduates  
5 employed in a field related to the credential or degree received  
6 within one year of graduation, to the extent that data is available;

7 (D) the median student loan debt among borrowers  
8 attending the institution;

9 (E) the percentage of students at each accredited  
10 institution who fully repay their student loans within the standard  
11 10-year repayment period; and

12 (F) the median earnings of institution graduates  
13 expressed as a yearly amount and as a percentage of median student  
14 debt among borrowers, as reported by the U.S. Department of  
15 Education's College Scorecard or successor tool; and

16 (2) evidence of whether the agency takes or considers  
17 taking action with respect to an institution's accreditation in a  
18 manner that would hinder or interfere with the authority of the  
19 institution's governing board and the institution's accountability  
20 to the legislature.

21 (f) The commission may revoke the approval of an approved  
22 accrediting agency if the commission determines based on an  
23 evaluation under this section that the agency should no longer be  
24 approved.

25 (g) Not later than November 1 of each even-numbered year,  
26 the commission shall submit to the governor, lieutenant governor,  
27 speaker of the house of representatives, Legislative Budget Board,

1 and chairs of the standing committees of each house of the  
2 legislature with primary jurisdiction over higher education and  
3 publish on a publicly accessible Internet website a report of the  
4 evaluation made under this section. The report must include a  
5 ranking of the performance of approved accrediting agencies and  
6 information on any accrediting agency the commission determines  
7 should no longer be approved due to poor performance.

8 Sec. 51.374. ACCREDITATION OF INSTITUTIONS OF HIGHER  
9 EDUCATION. (a) Each institution of higher education shall, at the  
10 institution's expense, seek accreditation by an accrediting agency  
11 approved by the commission with a performance rating of  
12 satisfactory or higher.

13 (b) An institution of higher education accredited by an  
14 accrediting agency that receives an unsatisfactory performance  
15 rating from the commission shall, at the institution's expense,  
16 obtain accreditation from a different approved accrediting agency  
17 with at least a satisfactory performance rating not later than the  
18 earlier of:

19 (1) the fifth anniversary of the date the agency  
20 receives the unsatisfactory performance rating; or

21 (2) a date determined by coordinating board rule.

22 (c) An institution of higher education accredited by an  
23 accrediting agency with a satisfactory performance rating shall, at  
24 the institution's expense, obtain accreditation from a different  
25 approved accrediting agency at the institution's next  
26 accreditation renewal date after 15 years have elapsed from the  
27 date of the institution's current accreditation.

1       (d) An institution of higher education accredited by an  
2 accrediting agency with an exemplary performance rating may  
3 continue to be accredited by that accrediting agency for as long as  
4 the agency maintains an exemplary performance rating. If as a  
5 result of an evaluation under Section 51.373 the commission assigns  
6 the agency a rating other than exemplary, the institution shall, at  
7 the institution's expense, obtain accreditation from a different  
8 approved accrediting agency not later than:

9           (1) if the agency receives a satisfactory performance  
10 rating, the 15th anniversary of the date the agency receives a  
11 satisfactory performance rating; or

12           (2) if the agency receives an unsatisfactory  
13 performance rating, the date described by Subsection (b).

14       Sec. 51.375. NOTICE OF NONCOMPLIANCE. (a) If the  
15 commission determines that an institution of higher education has  
16 failed to substantially comply with the requirements of Section  
17 51.374, the commission shall provide the institution with written  
18 notice of the institution's substantial noncompliance with that  
19 section.

20           (b) An institution of higher education that receives notice  
21 under Subsection (a) shall take corrective actions to comply with  
22 the requirements of Section 51.374 not later than the 180th day  
23 after the date of receipt of the notice. If the institution fails  
24 to substantially comply with the requirements of Section 51.374 by  
25 that date, the commission shall notify the comptroller of the  
26 institution's noncompliance.

27           (c) On receipt of notice under Subsection (b), the

1 comptroller shall withhold all state funding from the noncompliant  
2 institution of higher education until the commission notifies the  
3 comptroller that the institution is substantially complying with  
4 the requirements of Section 51.374.

5 Sec. 51.376. RULES. The coordinating board shall adopt  
6 rules as necessary to implement this subchapter.

7 SECTION 2. (a) As soon as practicable after the effective  
8 date of this Act, the governor, lieutenant governor, and speaker of  
9 the house of representatives shall appoint the members to the Texas  
10 Higher Education Accreditation Commission as provided by Section  
11 51.372, Education Code, as added by this Act.

12 (b) The Texas Higher Education Accreditation Commission  
13 established under Subchapter G-1, Chapter 51, Education Code, as  
14 added by this Act, shall identify and approve accrediting agencies  
15 as required by Section 51.373(a), Education Code, as added by this  
16 Act, not later than September 1, 2026.

17 SECTION 3. (a) In this section, "commission" means the  
18 Texas Higher Education Accreditation Commission.

19 (b) Notwithstanding any other section of this Act, in a  
20 state fiscal year, the commission is not required to implement a  
21 provision found in another section of this Act that is drafted as a  
22 mandatory provision imposing a duty on the commission to take an  
23 action unless money is specifically appropriated to the Texas  
24 Higher Education Coordinating Board for that fiscal year to carry  
25 out that duty. The commission may implement the provision in that  
26 fiscal year to the extent other funding is available to the  
27 commission to do so.

1           (c) If, as authorized by Subsection (b) of this section, the  
2 commission does not implement the mandatory provision in a state  
3 fiscal year, the Texas Higher Education Coordinating Board, in its  
4 legislative budget request for the next state fiscal biennium,  
5 shall certify that fact to the Legislative Budget Board and include  
6 a written estimate of the costs of implementing the provision in  
7 each year of that next state fiscal biennium.

8           (d) This section and the suspension of the commission's duty  
9 to implement a mandatory provision of this Act, as provided by  
10 Subsection (b) of this section, expire and the duty to implement the  
11 mandatory provision resumes on September 1, 2029.

12           SECTION 4. This Act takes effect September 1, 2025.