Office of External Relations Texas Higher Education coordinating BOARD

# Summary of Higher Education Legislation

### 88th Texas Legislature, Regular Session

August 2023

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#### **Texas Higher Education Coordinating Board**



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#### **Agency Mission**

The mission of the Texas Higher Education Coordinating Board (THECB) is to serve as a resource, partner, and advocate for Texas higher education, resulting in a globally competitive workforce that positions Texas as an international leader.

#### **Agency Vision**

The THECB will be recognized as an international leader in developing and implementing innovative higher education policy to accomplish our mission.

#### Agency Philosophy

The THECB will promote access to and success in quality higher education across the state with the conviction that access and success without quality is mediocrity and that quality without access and success is unacceptable.

The THECB's core values are:

**Accountability:** We hold ourselves responsible for our actions and welcome every opportunity to educate stakeholders about our policies, decisions, and aspirations.

Efficiency: We accomplish our work using resources in the most effective manner.

**Collaboration:** We develop partnerships that result in student success and a highly qualified, globally competent workforce.

**Excellence:** We strive for excellence in all our endeavors.

The THECB does not discriminate on the basis of race, color, national origin, gender, religion, age or disability in employment or the provision of services.

This document is for educational purposes only. Questions related to interpretation of or compliance with legislation should be directed to legal counsel. Please cite this report as follows: Texas Higher Education Coordinating Board. (2023). Summary of Higher Education Legislation. Austin, TX.

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### Introduction

The Texas Legislature convened its 88th Regular Session in January 2023 with a recordbreaking revenue surplus and a unique opportunity to deliver transformative changes in Texas higher education—and it did not disappoint.

Legislation passed during the session provides a clear path to advancing the state's higher education goals as outlined in the *Building a Talent Strong Texas* strategic plan. Lawmakers provided major investments to bolster student financial aid, college and career advising, and digital learning, all of which will make college more affordable and accessible, leading to improved attainment. Legislators also focused on access to credentials of value through targeted incentives for the state's community colleges and invested in programs that support the state's health care workforce. Additionally, a new research endowment fund and the infrastructure needed to make Texas a strategic leader in emerging industries—including semiconductor innovation and aerospace research—were created this session. This commitment will be crucial to setting Texas on a path to significantly increase its research expenditures.

These new initiatives and investments align with the state's *Building a Talent Strong Texas* goals and will give more Texans greater opportunities to succeed while powering the state's economic competitiveness into the future.

This summary provides an overview of that legislation and an analysis of higher education funding included in House Bill (HB) 1, the General Appropriations Act for Fiscal Years (FY) 2024-25 and Senate Bill (SB) 30, the FY 2023 supplemental appropriations bill. Due to the date of publication, it does not include any legislation adopted during special sessions of the 88th Legislature.

### **State Budget Summary for Fiscal Years 2024-25**

During every regular legislative session, lawmakers must appropriate state funding for the coming biennium. The 88th Legislature passed two key pieces of appropriations-related legislation: HB 1, the General Appropriations Act (GAA), and SB 30, the supplemental appropriations bill.

The budget was a highlight of the 88th Legislature, where budget writers began with an estimated FY 2023 General Revenue Fund ending balance of \$32 billion and an Economic Stabilization Fund balance expected to grow to \$26 billion by the end of FY 2025. HB 1 appropriates \$321.3 billion in All Funds for FY 2024-25, an increase of \$56.5 billion or 21% compared with the FY 2022-23 General Appropriations Act. General revenue appropriations total \$144.1 billion, an increase of \$25 billion or 21%. However, these differences are much smaller when supplemental appropriations in SB 30 for FY 2023 and other adjustments are considered, as shown in Table 1.

Article	FY22-23	i	FY24-25	Change	Percent Change
I — General Government	\$ 10,845.8	\$	9,334.1	\$ (1,511.7)	-13.9%
II – Health & Human Services	\$ 39,015.2	\$	42,862.1	\$ 3,846.9	9.9%
III – Education	\$ 62,752.0	\$	72,006.6	\$ 9,254.6	14.7%
Public Education	\$ 41,454.6	\$	50,402.9	\$ 8,948.3	21.6%
Higher Education	\$ 21,297.4	\$	21,603.7	\$ 306.3	1.4%
IV – Judiciary	\$ 597.7	\$	860.3	\$ 262.6	43.9%
V – Public Safety & Criminal Justice	\$ 12,645.8	\$	13,364.7	\$ 718.9	5.7%
VI – Natural Resources	\$ 3,294.4	\$	3,486.4	\$ 192.0	5.8%
VII – Business & Economic Development	\$ 508.1	\$	1,292.5	\$ 784.4	154.4%
VIII – Regulatory	\$ 311.2	\$	434.1	\$ 122.9	39.5%
X – Legislature	\$ 433.4	\$	489.6	\$ 56.2	13.0%
TOTAL	\$ 130,403.6	\$	144,130.4	\$ 13,726.8	10.5%

## Table 1. FY 2024-25 General Revenue by Article Compared to FY 2022-23 (in millions)

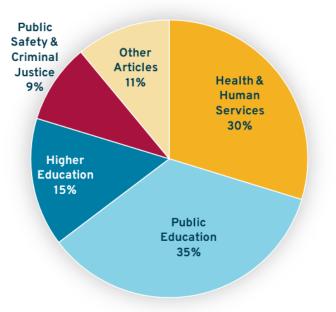
Source: Legislative Budget Board

Note: FY22-23 amounts include supplemental appropriations made in SB 30. FY24-25 appropriations made in Article IX are reflected in the functional articles above.

#### HB 1 highlights include the following:

- \$5.3 billion for property tax relief (with another \$12.3 billion contingent upon the enactment of legislation that could be passed during a special session)
- \$5 billion for a cost-of-living adjustment and a one-time supplemental annuity payment for certain Teacher Retirement System retirees
- \$1.8 billion (all funds) for 5% state salary increases in FY 2024 and FY 2025
- \$1.5 billion for broadband development and telecommunications services
- \$931.2 million to the Employees Retirement System (ERS) to address unfunded liabilities





"Other Articles" includes General Government, Judiciary, Natural Resources, Business & Economic Development, Regulatory, and Legislature

#### Fiscal Year 2023 Supplemental Appropriations

Legislators passed SB 30, the FY 2023 supplemental appropriations bill, to provide immediate funding for many priority items. SB 30 appropriates \$13.2 billion in all funds, including \$7.4 billion in general revenue, with over \$4 billion of that total directed to higher education-related institutions and initiatives.

#### SB 30 higher education highlights include the following:

- \$3 billion to build the corpus of the new Texas University Fund
- \$1.4 billion related to semiconductor innovation projects
- \$243.8 million to fully fund all remaining obligations with the Texas Guaranteed Tuition Plan
- \$141.5 million in B-On-Time account balances to the Texas Higher Education Coordinating Board (THECB) for close out of the program and distribution of remaining funds back to public universities and health-related institutions

#### **Higher Education Funding**

As shown in <u>Figure 1</u>, higher education makes up 15% of the state's entire general revenue budget for FY 2024-25. The general revenue appropriation for higher education increased from \$16.1 billion in FY 2022-23 to \$19.1 billion in FY 2024-25, an increase of \$3 billion or approximately 18.6%. These FY 2022-23 totals do not include supplemental appropriations made in SB 30.

Higher Education Sector	FY22-23	SB 30	FY24-25	Change	Percent Change
General Academic Institutions/System Offices	\$ 5,954.4	\$ 695.2	\$ 6,886.8	\$ 932.4	15.7%
Two Year Institutions	\$ 2,199.7	\$ 15.5	\$ 2,724.5	\$ 524.8	23.9%
Health Related Institutions	\$ 3,185.1	\$ 137.8	\$ 3,494.9	\$ 309.8	9.7%
A&M System Agencies	\$ 465.7	\$ 263.1	\$ 513.0	\$ 47.3	10.2%
THECB	\$ 1,823.8	\$ 20.0	\$ 2,519.9	\$ 696.1	38.2%
Higher Education Group Insurance	\$ 1,423.1	\$ -	\$ 1,590.0	\$ 166.9	11.7%
Optional Retirement Program	\$ 246.0	\$ -	\$ 245.1	\$ (0.9)	-0.4%
Higher Education Fund	\$ 787.5	\$ -	\$ 787.5	\$ -	0.0%
Hazlewood Legacy Program	\$ 30.0	\$ -	\$ 214.9	\$ 184.9	616.2%
Texas University Fund*	\$ -	\$ 3,000.0	\$ 136.4	\$ 136.4	-
TOTAL	\$ 16,115.3	\$ 4,131.6	\$ 19,113.0	\$ 2,997.7	18.6%

## Table 2. FY 2024-25 General Revenue Appropriations for Higher Education(in millions)

Note: These amounts do not include the higher education portion of retirement or social security benefits, which are included in Table 1 and in the all funds and general revenue totals listed in the body of the report. \* The listed amount does not include the existing corpus of the National Research University Fund, estimated to be \$896.1 million as of 8/31/22, which will be included in the Texas

University Fund corpus, contingent on enactment of HJR 3.

College affordability and the value of higher education were important topics for the 88th Legislature, as they are in the state's strategic plan for higher education, *Building a Talent Strong Texas.* The plan's goals focus not on the attainment of any postsecondary credentials but on credentials of value, which provide a positive return on a student's investment in higher education. Two ways to increase the value of a credential are keeping college affordable and ensuring the credentials are aligned with state and regional workforce needs.

The university systems advanced a college affordability plan that proposed funding for general academic institution formulas, higher education group insurance, and Hazlewood Legacy Program reimbursements, which would allow institutions to hold tuition rates flat for the next

two years. The Legislature provided almost \$700 million to the institutions through this plan. As discussed below, there was also a significant investment made in student financial aid programs.

In November 2022, the Texas Commission on Community College Finance recommended significant changes to the way Texas funds its community colleges to better align funding with the *Building a Talent Strong Texas* goals and regional and state workforce needs. To implement these recommendations, HB 8 transformed the state's existing community college finance system into a dynamic model that provides most state funding based on outcomes, centered on credentials of value, while also ensuring that a baseline level of funding is available to all colleges. HB 1 includes a \$683 million contingency rider for HB 8 that includes the following:

- An additional \$428 million in formula funding to transition to the new system
- \$139 million to increase the number of eligible students served through the Texas Educational Opportunity Grant (TEOG) program to 70%
- \$78.6 million for the Financial Aid for Swift Transfer (FAST) program, through which economically disadvantaged students can participate in dual credit or dual enrollment courses at no cost
- \$33 million to support a new institutional collaboration center and capacity grants for workforce programs (through the TRUE program)

*Building a Talent Strong Texas* also highlights the need for Texas to remain competitive by maintaining and advancing its research and development capabilities, and the state's institutions of higher education are at the forefront of those efforts. The 88th Legislature made significant investments to support the state and its institutional and industry partners in growing these capabilities. House Joint Resolution (HJR) 3 and its enabling legislation, HB 1595, create the new Texas University Fund (TUF) and National Research Support Fund (NRSF) to advance more Texas universities toward national prominence as top-tier research institutions. SB 30 includes \$3 billion for the TUF corpus,<sup>1</sup> while HB 1 provides \$273.4 million in general revenue and earnings for TUF institutions and \$175 million for NRSF institutions. HB 1 also provides an increase of \$15 million increase for the existing Comprehensive Research Fund. Each of these funds now aligns allocations based on performance metrics of federal and private research expenditures, in alignment with *Building a Talent Strong Texas*.

HB 3447 and HB 5174 create the infrastructure needed to enhance the state's semiconductor and space industries and improve strategic planning related to economic development in those fields. SB 30 provides \$700 million to create a new Texas Semiconductor Innovation Fund, which will be administered through the Texas Semiconductor Innovation Consortium, and \$666 million for semiconductor projects at The University of Texas at Austin and the Texas A&M University System. HB 1 provides \$150 million to create the Texas Space Exploration and Aeronautics Research Fund,

<sup>&</sup>lt;sup>1</sup> This amount will be added to the existing National Research University Fund corpus, estimated to be \$896.1 million as of 8/31/22, contingent upon enactment of HJR 3.

administered by the Texas Space Commission, and \$200 million for Texas A&M University to construct training and research facilities in conjunction with the Johnson Space Center.

#### Texas Higher Education Coordinating Board (THECB) Funding

THECB's general revenue appropriation increased from \$1.8 billion in FY 2022-23 to \$2.5 billion in FY 2024-25, an increase of \$696.1 million or approximately 38%. This increase is due in large part to the Legislature's prioritization of mental health care, health care workforce needs, and college affordability. After a substantial infusion of federal funds during the third called session of the 87th Legislature, budget writers continued their investment in mental health care for children through a \$49 million increase in funding for the Texas Child Mental Health Care Consortium. They also recognized the ongoing need to strengthen the state's health care workforce pipeline and appropriated an additional \$150 million across agency programs designed to increase the number of doctors, nurses, and other health professionals in the state.

Healthcare Workforce Program	F	Y22-23	F	Y24-25	C	Change	Percent Change
Physician Education Loan Repayment Program	\$	29.5	\$	35.5	\$	6.0	20.3%
Mental Health Loan Repayment Program	\$	2.1	\$	28.0	\$	25.9	1233.3%
Nursing Faculty Loan Repayment Program	\$	2.9	\$	7.0	\$	4.1	141.4%
Family Practice Residency Program	\$	9.5	\$	16.5	\$	7.0	73.7%
State Preceptorship Program	\$	2.9	\$	4.9	\$	2.0	69.0%
Graduate Medical Eduction (GME) Expansion	\$	199.1	\$	233.1	\$	34.0	17.1%
Trauma Care Fellowships	\$	3.9	\$	5.9	\$	2.0	51.3%
Joint Admission Medical Program	\$	9.7	\$	11.7	\$	2.0	20.6%
Nursing Shortage Reduction Program	\$	18.9	\$	46.8	\$	27.9	147.6%
Forensic Psychiatry Fellowship Program	\$	-	\$	5.0	\$	5.0	-
SB 25 Nursing Scholarship Program	\$	-	\$	25.0	\$	25.0	-
Rural Resident Physician Program	\$	-	\$	3.0	\$	3.0	-
Nursing Innovation Grant Program (NIGP)*	\$	3.8	\$	9.8	\$	6.0	157.9%
TOTAL	\$	269.9	\$	382.8	\$	149.9	55.5%

## Table 3. FY 2024-25 Funding for THECB Health Care Workforce Programs (in millions)

\* NIGP has traditionally been funded through the Permanent Fund for Nursing, Allied Health and Other Health Related Programs (tobacco funds) but received an additional\$6 million general revenue appropriation in FY24-25.

The college affordability deliberations mentioned above also highlighted the importance of student financial aid, and funding for many of these programs was increased. The Texas Armed Services Scholarship Program (TASSP) received an additional \$8 million, an increase of 83%. As mentioned above, the TEOG program, which provides need-based aid for students at two-year institutions, received an additional \$139 million, an increase of 65%, as a part of the HB 8 funding package. The Legislature also funded THECB's exceptional item request on student financial aid, which provides \$149 million for the state's other need-based programs (TEXAS Grants and Tuition Equalization Grants) as well as the Texas Transfer Grant and Texas Leadership Scholars Programs.

In addition to student financial aid, THECB's other three exceptional items also received funding. SB 30 includes \$20 million for data modernization and security activities at the agency. HB 1 includes \$20 million for My Texas Future, the state's online postsecondary advising portal, and related initiatives. It also provides \$20 million to increase access to and success in postsecondary education and enhance its value through digital learning and student success programs.

Exceptional Item	Request	Appropriation
Financial Aid	\$153 million	<b>\$288.3 million</b> Includes the requested funding plus HB 8 contignency funding to increase the percentage of eligible students served in the TEOG program to 70 percent
Data Security & Modernization	\$15 million	<b>\$20 million</b> Includes the requested funding plus \$5 million that was requested through the Texas Technology Modernization & Improvement Fund process in FY2021
Advising	\$20 million	<b>\$20 million</b> Includes the requested funding, which was prioritzed in the Governor's Budget for FY2024-25
Innovation & Collaboration	\$47.5 million	\$20 million Includes a portion of the requested funding to support programs that increase postsecondary access and success as well as the value of postsecondary education
TOTAL	\$235.5 million	\$348.3 million

#### Table 4. FY 2024-25 THECB Exceptional Item Requests

#### **Key Riders**

HB 1 also includes several changes or additions to riders in the THECB bill pattern. Riders are provisions included in the budget to provide specific instructions to agencies regarding the expenditure or collection of funds.

*Cost Recovery for the Common Application Form (Rider 9).* Changes to the rider allow THECB to recover costs related to ApplyTexas, the state's centralized application web portal, from institutions less the amount of funding appropriated for that purpose.

**Professional Nursing Shortage Reduction Program (Rider 26).** Changes to the rider limit funding to prioritize nursing graduates for initial licensure and expand the program into three tiers of funding: Growth (existing program), Production (new), and Faculty (new). The Production tier is based on the annual number of program graduates, and the Faculty tier is based on the annual number of doctoral and master's level graduates.

*State Grant Funding (Rider 56).* The rider specifies that new funding in Strategy B.1.10 shall be used for TEXAS Grant, Tuition Equalization Grant (TEG), Texas Transfer Grant, and Texas Leadership Scholars Programs.

*Forensic Psychiatry Fellowship Program (Rider 57).* The rider provides \$5 million to support the development, expansion, or administration of forensic psychiatry fellowship programs.

*Study on State Social Work Workforce Needs (Rider 59).* The rider requires THECB to submit a report on the current social work workforce in Texas and the state's social work workforce needs, including recommendations to address any shortages.

*Innovation and Collaboration Initiatives (Rider 61).* The rider directs \$10 million to support evidence-based student success programs and \$10 million to increase access to open education resources and digital course-sharing for the purpose of increasing access to and success in postsecondary education.

*Computer Science Pipeline Initiative (Rider 62).* The rider directs \$10 million (plus up to an additional \$4 million if matching funds are raised) to establish a statewide Computer Science Pipeline Initiative for the purpose of increasing the number of certified computer science teachers in Texas.

*Rural Residency Physician Grant Program (Rider 63).* The rider directs \$3 million for grants to create new graduate medical education (GME) positions in rural or non-metropolitan areas.

*Nursing Innovation Grant Program (Rider 64).* The rider directs \$6 million to support innovation in nursing education through the existing Nursing Innovation Grant program. Funding will include grants for the development and expansion of programs, evaluation of these programs, and research on increasing the state's nursing workforce.

### **Summary of Legislation**

#### **Academic Affairs**

HB 584 RELATING TO THE DEVELOPMENT OF A STATE INFORMATION TECHNOLOGY CREDENTIAL OFFERED BY PUBLIC JUNIOR COLLEGES OR PUBLIC TECHNICAL INSTITUTES TO ADDRESS SHORTAGES IN THE STATE INFORMATION RESOURCES WORKFORCE

> AUTHOR: CAPRIGLIONE SPONSOR: ZAFFIRINI

HB 584 authorizes the Department of Information Resources (DIR) to enter into agreements with public junior college districts or public technical institutes to offer a program leading to a state information technology credential that, in combination with an associate degree, may be substituted for a bachelor's degree for state information resources hiring purposes. THECB is required to approve a program in accordance with the agency's existing statutory authority before it may be offered under these provisions.

Code Reference:	Amends Government Code 2054.061(b)
	Adds Government Code 2054.0701
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Workforce Education

#### SB 427 RELATING TO REQUIRING CERTAIN INSTITUTIONS OF HIGHER EDUCATION TO ENTER INTO AN AGREEMENT TO OFFER UNDERGRADUATE COURSES IN TEXAS HISTORY

AUTHOR: KOLKHORST SPONSOR: GONZALEZ, MARY

SB 427 requires any college or university receiving state support or aid that does not offer at least three semester credit hours or the equivalent in Texas history for undergraduate students to enter into an agreement with another postsecondary educational institution to offer such coursework to its undergraduate students.

Code Reference:	Adds Education Code 51.302(d)
Effective Date:	June 18, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Academic and Health Affairs

### SB 1887 RELATING TO THE REQUIREMENTS FOR THE EARLY COLLEGE EDUCATION PROGRAM AND THE TRANSFER OF COURSE CREDIT AMONG PUBLIC INSTITUTIONS OF HIGHER EDUCATION

AUTHOR: WEST SPONSOR: TURNER

SB 1887 makes several updates to statutes regarding student transfer and the applicability of credit among Texas institutions of higher education. The bill requires early college high schools to enroll students in either an applied associate degree or academic associate degree with a complete field of study. Due dates for reports on nontransferable credit and courses taken at junior colleges are changed to better align with data reporting timelines.

The bill allows THECB to approve a core curriculum of fewer than 42 semester credit hours for an associate degree program if the board determines that the approval would facilitate the award of a degree or transfer of credit. The bill also makes changes to the structure of field of study curricula to better align with best practices. Provisions related to transfer credit dispute resolution are amended to clarify the process, establish statutory timelines for resolving disputes, and make the Commissioner of Higher Education's determination final.

The bill establishes the Texas Direct associate degree and requires a public state, technical, or community college to note on a student's transcript that the student completed a field of study curriculum and the college's core curriculum.

Code Reference:	Amends Education Code 29.908, 51.4033, 51.4034, 61.003, 61.822, 61.823, 61.826, and 61.827
	Adds Education Code 61.834
Effective Date:	May 23, 2023
Appropriation:	None
THECB Rulemaking:	Yes
THECB Report:	Yes
Lead Division(s):	Academic and Health Affairs

### SB 2538 RELATING TO LIMITATIONS ON THE AUTOMATIC ADMISSION OF UNDERGRADUATE STUDENTS TO GENERAL ACADEMIC TEACHING INSTITUTIONS

AUTHOR: CREIGHTON SPONSOR: LONGORIA

SB 2538 repeals the provision that would disallow The University of Texas at Austin from maintaining its current admissions system, with a 75% enrollment cap on automatic admissions, following a final court order that prohibits the institution from considering an applicant's race or ethnicity or the adoption of a policy prohibiting the consideration of an applicant's race or ethnicity by its board of regents.

Code Reference: Repeals Education Code 51.803(k)

Effective Date: June 2, 2023

Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	College and Career Advising

#### **Financial Aid**

HB1038 RELATING TO A BIENNIAL REPORT ON STATE LENDING AND CREDIT SUPPORT PROGRAMS

AUTHOR: CAIN SPONSOR: SPARKS

HB 1038 requires the Texas Bond Review Board (BRB) to prepare a biennial report not later than December 31 of each even-numbered year on all lending programs and credit support programs in the state. THECB is required to provide necessary information regarding agency student loan programs to the BRB for the purposes of the report.

Code Reference:	Adds Government Code 1231.064
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Financial Services

### HB 1211 RELATING TO FINANCIAL ASSISTANCE, INCLUDING REPAYMENT OF LOANS, FOR CERTAIN STUDENTS ATTENDING POSTSECONDARY EDUCATIONAL INSTITUTIONS

AUTHOR: GUILLEN SPONSOR: ZAFFIRINI

HB 1211 amends the Joint Admissions Medical Program (JAMP) to clarify that the JAMP scholarship at private or independent institutions of higher education is in addition to other scholarships, not to exceed a student's total amount of tuition and fees. This applies beginning with the 2023-24 academic year.

The bill also adds licensed specialists in school psychology as eligible participants in the Mental Health Professionals Loan Repayment Program (MHPLRP). A school psychologist applying to the program must be employed by a school district or open-enrollment charter school located in a federally designated mental health care health professional shortage area or a public school that received federal Title I funds. Approved participants may receive no more than a total of \$40,000 in loan repayment assistance.

Code Reference: Amends Education Code 51.831, 61.601, 61.603, 61.604, and 61.607 Repeals Education Code 61.604(d), 61.608(c)

Effective Date:	September 1, 2023
Appropriation:	HB 1 increases funding for JAMP by \$2 million and MHPLRP by \$25.9 million in FY 2024-25.
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	Student Financial Aid Programs

#### HB 1590 RELATING TO THE ESTABLISHMENT OF THE TEXAS LEADERSHIP SCHOLARS PROGRAM TO SERVE AS A MERIT-BASED SCHOLARSHIP AND LEADERSHIP OPPORTUNITY FOR HIGH-ACHIEVING, EMERGING LEADERS WITH FINANCIAL NEED

AUTHOR: BURNS SPONSOR: WEST

HB 1590 creates the Texas Leadership Scholars Program and directs THECB to administer the program. THECB may contract with one or more institutions of higher education to assist in administering the program, including receiving and reviewing applications and developing criteria for student selection.

The undergraduate program provides scholarship support and academic and leadership development assistance to eligible undergraduate students at Texas institutions of higher education. To be eligible, a student must have graduated from a Texas public high school; be nominated by their high school or qualify for automatic admissions; be enrolled in a baccalaureate program at a Texas public university; and be economically disadvantaged. Students participating in the program are to be provided with: research-based support to make satisfactory academic progress and graduate on time; leadership development opportunities such as program cohort learning communities; mentoring, research, and internship opportunities; networking with state government, business, and civic leaders; and statewide cohort learning institutes or seminars.

The graduate component provides research scholarships to eligible students enrolled in doctoral degree programs at Texas public institutions. To be eligible, recipients must have either graduated from a Texas public high school within the previous 10 years or graduated from a Texas public or independent institution of higher education. Recipients must also be economically disadvantaged and be nominated by their institution on the basis of academic merit and leadership potential.

THECB shall adopt rules for the program in consultation with general academic teaching institutions. The rules must provide that a research scholarship is at least 150% of the undergraduate scholarship and limit a student to no more than four years of assistance.

Code Reference:	Adds Subchapter T-3 to the Education Code, Chapter 61
Effective Date:	June 12, 2023
Appropriation:	HB 1 provides funding for the program as part of THECB's \$149 million additional student financial aid appropriation (HB 1, THECB Rider 56).

THECB Rulemaking:YesTHECB Report:NoLead Division(s):Student Success

#### HB 2026 RELATING TO THE RURAL VETERINARIAN INCENTIVE PROGRAM

AUTHOR: DARBY SPONSOR: LAMANTIA

HB 2026 changes the definition of "rural county," for the purposes of the Rural Veterinarian Incentive Program, from a county that has a population of less than 100,000 to one that has a population of less than 150,000. The bill also changes the party with whom a program participant enters into an agreement from a university system to THECB.

Code Reference:	Amends Education Code 56.101, 56.105, and 56.106
Effective Date:	June 18, 2023
Appropriation:	SB 30 provides unexpended balance authority for the program, which received \$1 million in federal funds in SB 8 (87-3).
THECB Rulemaking:	Νο
THECB Report:	Νο
Lead Division(s):	Student Financial Aid Programs

#### HB 2100 RELATING TO ELIGIBILITY REQUIREMENTS FOR STUDENT LOAN REPAYMENT ASSISTANCE FOR CERTAIN MENTAL HEALTH PROFESSIONALS

AUTHOR: PRICE SPONSOR: SCHWERTNER

HB 2100 extends eligibility for the MHPLRP to mental health professionals providing service to patients at state mental health hospitals or to those providing service to individuals receiving community-based mental health services from a local mental health authority. Eligible recipients must apply to THECB and have completed between one and five years of consecutive service in Texas.

This change applies only to a person who first establishes eligibility for the program based on an application submitted on or after September 1, 2023.

Code Reference:	Amends Education Code 61.603
Effective Date:	September 1, 2023
Appropriation:	HB 1 increases funding for MHPLRP by \$25.9 million in FY 2024-25.
THECB Rulemaking:	Yes
THECB Report:	No

Lead Division(s): Student Financial Aid Programs

#### HB 2177 RELATING TO ESTABLISHING A DIGITAL COURSE MATERIALS PILOT PROGRAM

AUTHOR: STUCKY SPONSOR: LAMANTIA

HB 2177 establishes a pilot program to award grants to participating public two-year institutions of higher education that will, in turn, provide financial assistance to students for the cost of accessing digital course materials. THECB is charged to adopt rules for the administration of the program, including establishing a methodology for selecting institutions to participate in the program and for allocating appropriated funds among them. The methodology should reflect the state's varied geography and unique institutional missions and serve students who have financial need and reflect diverse populations.

The rules must also establish criteria for institutions to use in evaluating digital course materials for the program, which may include access to technical support, adherence to accessibility standards, impact on student outcomes, accessibility and availability of materials, faculty access to training materials, and supplemental resources provided to assist students with career readiness workforce development. The agency shall solicit input from publishers, campus bookstore operators and other relevant industry representatives in developing these rules. THECB shall submit a report on the pilot program by September 1, 2026. These provisions expire September 1, 2027.

Code Reference:	Adds Education Code 61.0667
Effective Date:	June 10, 2023
Appropriation:	None
THECB Rulemaking:	Yes
THECB Report:	Yes
Lead Division(s):	Digital Learning

HB 4005 RELATING TO THE ESTABLISHMENT OF THE TEXAS COMPETENCY-BASED EDUCATION GRANT PROGRAM FOR CERTAIN STUDENTS ENROLLED IN COMPETENCY-BASED BACCALAUREATE DEGREE PROGRAMS AND TO FORMULA FUNDING AND DROPPED AND REPEATED COURSE RESTRICTIONS FOR STUDENTS ENROLLED IN THOSE DEGREE PROGRAMS AT PUBLIC INSTITUTIONS OF HIGHER EDUCATION

> AUTHOR: RANEY SPONSOR: PARKER

HB 4005 creates the Texas Competency-Based Education (CBE) Grant Program to provide financial assistance for students enrolled in CBE baccalaureate programs at eligible institutions, which include public general academic institutions and community colleges authorized to offer baccalaureate programs, private or independent institutions of higher education, and Western Governors' University-Texas. To be eligible to receive assistance under the program, a student must be a Texas resident, demonstrate financial need, not already hold a baccalaureate degree, be enrolled in a CBE baccalaureate program at an eligible institution, and not be the recipient of a TEXAS grant, Tuition Equalization Grant, or other state-funded assistance in the same academic period. The bill also exempts students in the program from certain academic or financial penalties for credit hour limits, dropped courses, or repeated courses, allowing students who have stopped out of college to return to postsecondary work without financial or academic penalty.

Code Reference:	Adds Subchapter T to Education Code, Chapter 56	
	Adds Education Code 51.907(b-1), 61.059(s), 61.0595(f-1), and 61.088	
Effective Date:	June 12, 2023	
Appropriation:	None	
THECB Rulemaking:	Yes	
THECB Report:	No	
Lead Division(s):	Student Financial Aid Programs	

#### HB 4363 RELATING TO THE ESTABLISHMENT OF THE FUTURE TEXAS TEACHERS SCHOLARSHIP PROGRAM FOR CERTAIN STUDENTS AT PUBLIC INSTITUTIONS OF HIGHER EDUCATION

AUTHOR: KUEMPEL SPONSOR: HINOJOSA

HB 4363 creates the Future Texas Teachers Scholarship Program to recruit, prepare, and retain a talented and diverse teacher workforce by providing financial assistance to students attending eligible educator preparation programs. An eligible educator preparation program must be at a Texas public or independent university, provide structured support to assist grant recipients complete the program, require field-based and clinical teaching experience above the minimums required by SBOE, and facilitate opportunities for recipients to participate in learning opportunities outside of university classroom settings.

To be eligible for a scholarship, a student must be a Texas resident either enrolled full-time in an eligible institution or have applied to be admitted full-time. A student must be pursuing a bachelor's or master's degree and be on track to be admitted to the educator preparation program. Students must demonstrate a commitment to pursuing a career as a classroom teacher in a public school in Texas and comply with any other requirements adopted by THECB. The student must complete a criminal background check and is excluded from participation if convicted of certain offenses.

The amount of a scholarship is \$12,000 for the 2023-24 school year and is increased by the rate of inflation using the college tuition and fees index component of the consumer price index in each subsequent academic year. The scholarship may be used to pay for any usual and customary costs of attendance at the institution. THECB rules must give priority to awarding scholarships to students who demonstrate the greatest need, first-generation college students, and students who commit to teaching in a critical shortage field or at a Title I public school.

Code Reference: Adds Subchapter S to Education Code, Chapter 56

Effective Date:	June 13, 2023
Appropriation:	None
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	Student Financial Aid Programs

#### SB 371 RELATING TO THE TEXAS ARMED SERVICES SCHOLARSHIP PROGRAM

AUTHOR: ECKHARDT SPONSOR: TURNER

SB 371 amends eligibility provisions for the Texas Armed Services Scholarship Program (TASSP) to require that recipients complete one year of ROTC training for each year that the student receives a scholarship, rather than requiring four years of ROTC training. The change will allow students who complete in less than four years to receive the scholarship and remain compliant with program requirements.

Code Reference:	Adds Education Code 61.97731
	Amends Education Code 61.9773
Effective Date:	September 1, 2023
Appropriation:	HB1 increases funding for TASSP by $\$$ million in FY 2024-25.
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	Student Financial Aid Programs

SB 493 RELATING TO QUALIFICATIONS FOR CERTAIN INDIVIDUALS FOR VETERANS BENEFITS

AUTHOR: HUGHES SPONSOR: HEFNER

SB 493 requires that the state consider an individual who received a less-than-honorable discharge from the United State armed forces due to their refusal to receive a vaccination against COVID-19 to have received an honorable discharge for the purpose of determining eligibility for state veterans benefits or services. To establish eligibility, the individual must provide evidence to the Texas Veterans Commission proving that their refusal to receive the COVID-19 vaccination was the sole reason for their less-than-honorable discharge.

Code Reference:	Adds Government Code 434.029
Effective Date:	June 18, 2023
Appropriation:	None
THECB Rulemaking:	Νο

THECB Report:NoLead Division(s):Student Financial Aid Programs

#### SB 532 RELATING TO PROVIDING MENTAL HEALTH SERVICES INFORMATION TO CERTAIN HIGHER EDUCATION STUDENTS AND TO THE REPAYMENT OF CERTAIN HIGHER EDUCATION LOANS

AUTHOR: WEST SPONSOR: KUEMPEL

SB 532 extends requirements to inform entering students about mental health and suicide prevention resources to all institutions of higher education and part-time students. The bill also requires institutions to provide students with a campus map identifying any location at which they can access mental health services and that any campus tour during orientation identify at least one mental health services location.

The bill amends the MHPLRP to reduce the number of required years of service in the program from five to three and adjusts annual assistance amounts. The bill also expands MHPLRP eligibility to professionals providing mental health services to patients in a state hospital or to individuals receiving community-based mental health services through a local mental health authority and adjusts the program to allow for the continuous receipt, processing, and acceptance of applicants.

The bill also amends the Math and Science Scholars Loan Repayment Program to remove the requirement that recipients teach in a Title I school.

Code Reference:	Amends Education Code 51.9194, 61.603, 61.604, 61.607, 61.608, 61.9831, 61.9832, and 61.9839
	Repeals Education Code 61.9839(b)
Effective Date:	September 1, 2023
Appropriation:	HB 1 increases funding for MHPLRP by \$25.9 million in FY 2024-25.
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	Student Financial Aid Programs

## SB 2294 RELATING TO THE TEXAS FIRST EARLY HIGH SCHOOL COMPLETION PROGRAM AND THE TEXAS FIRST SCHOLARSHIP PROGRAM

AUTHOR: CREIGHTON SPONSOR: KUEMPEL

SB 2294 expands the institutions eligible to participate in the Texas First Early High School Completion Program from research and emerging research universities to all public institutions of higher education. The bill also makes it mandatory for school districts and open-enrollment charter schools to allow an eligible student to graduate and receive a diploma under the program.

Code Reference:	Amends Education Code 28.0253 and 56.221
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	Student Financial Aid Programs

#### Funding

### HB 8 RELATING TO PUBLIC HIGHER EDUCATION, INCLUDING THE PUBLIC JUNIOR COLLEGE STATE FINANCE PROGRAM

AUTHOR: VANDEAVER SPONSOR: CREIGHTON

HB 8 creates a new finance system for public junior colleges that includes two tiers: a performance tier and a base tier. The performance tier is based on the following outcomes: completion of 15 semester credit hours (SCHs) in dual credit or dual enrollment courses that apply toward academic or workforce program requirements at the postsecondary level; transfer to a Texas public university after completion of 15 SCHs; and award of a credential of value (COV), with additional funding for COVs in high-demand fields. Funding under this formula will be determined by multiplying a college's outcomes, weighted for certain student characteristics, by outcome funding rates that will be adopted in THECB rule.

The base tier uses a methodology to determine the base level of instruction and operations (I&O) funding needed to meet a college's essential operating needs, based on contact hours, a basic allotment rate, and weighted full-time student equivalents (FTSEs). FSTEs are adjusted for small colleges and weighted for the same student characteristics used in the performance tier: economically disadvantaged, academically disadvantaged, or adult learner. The I&O funding level is compared to each college's local share, which represents the amount of local revenues available to a college through property tax and tuition and fees. State funding will be provided to make up any difference between the I&O funding level and a college's local share. The bill also provides a mechanism by which funding for colleges under these new formulas goes through a settle-up process to reconcile the use of estimated data with actual data once it is available.

The bill establishes the FAST program to provide funding to colleges and other public institutions so they can offer dual credit courses for educationally disadvantaged students (those eligible for the federal free/reduced-price lunch program) at no cost to the student. THECB will adopt a tuition rate that will be used in the program to (1) determine the amount of funding to which an institution is entitled and (2) set the maximum tuition rate that a participating institution may charge for all dual credit students.

The existing Community Technical College Formula Advisory Committee (CTCFAC) is replaced with a standing advisory committee for public junior colleges (SAC), which THECB is required to consult in adopting rules related to community college funding. THECB is also authorized to establish an institutional collaboration center to support the implementation of the bill and the efficient and effective operation of Texas institutions of higher education.

The bill removes a provision that prohibited colleges from using student Pell Grant amounts to cover the difference between a student's Texas Educational Opportunity Grant award and the cost of their tuition and fees. The bill adds employer partnerships to the list of preferences that THECB may consider when making grant awards under the Texas Reskilling and Upskilling through Education (TRUE) program. Administration of the Texas Innovative Adult Career Education (ACE) program is transferred from a designated grant administrator to THECB, and provisions related to an advisory because for the program were repealed.

The following bills were also added as provisions in HB 8: HB 2920, SB 1887, SB 2139, and SB 2294. Because these bills were also passed during the session, information on them has been provided separately.

Code Reference:	Adds Chapter 130A to Education Code
	Adds Education Code 28.0095, 48.308, 51.907(c-1), 51.907(c-2), 61.051(b), 61.0571(c), 61.0571(d), 61.0571(e), and 61.0571(f)
	Amends Education Code 28.009(b-2), 28.010(a), 54.3531(b), 56.407(g), 61.003(2), 61.059, 61.0595, 61.063, 61.882(d), 130.001(b), 130.003, 130.0031, 130.0033(c), 130.0034(a), 130.0051(a), 130.008(c), 130.085(b), 130.090(c), 130.310(a), 130.352, 130.355, 136.001, 136.005(a), 136.006, and 136.007
	Repeals Education Code 61.0593, 61.884(d), 130.003(d), 130.310(b), 136.002, 136.004, and 136.005(a-1)
Effective Date:	Certain provisions are effective June 9, 2023; otherwise, bill provisions are effective September 1, 2023.
Appropriation:	SB 1 appropriates an additional \$683 million to implement the provisions of HB 8 (Sec. 18.04, Art. IX).
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	Funding and Resource Planning

## HB 1794 RELATING TO FUNDING FOR THE UNIVERSITY OF TEXAS AT TYLER'S SCHOOL OF PHARMACY

AUTHOR: SCHAEFER SPONSOR: HUGHES

HB 1794 repeals the requirement that the School of Pharmacy at The University of Texas at Tyler be funded through tuition, gifts, grants, and other institutional or system funds and is not eligible for state formula funding.

Code Reference: Repeals Education Code 76.026(c)

Effective Date:	June 10, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Funding and Resource Planning

## SB 646 RELATING TO FORMULA FUNDING FOR CERTAIN NONRESIDENT STUDENTS ENROLLED AT LAMAR STATE COLLEGE-ORANGE

AUTHOR: NICHOLS SPONSOR: KUEMPEL

SB 646 allows Lamar State College in Orange County to receive formula funding for students outside of Texas, specifically for students who live in the adjacent Louisiana parish (Calcasieu Parish), pay in-state tuition, and take classes online.

Code Reference:	Adds Education Code 61.059(n-1)
Effective Date:	June 18, 2023
Appropriation:	None
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	Funding and Resource Planning

#### SB 1563 RELATING TO THE ELIGIBILITY OF SAM HOUSTON STATE UNIVERSITY TO RECEIVE FORMULA FUNDING FOR THE SAM HOUSTON STATE UNIVERSITY COLLEGE OF OSTEOPATHIC MEDICINE

AUTHOR: CREIGHTON SPONSOR: METCALF

SB 1563 repeals the provision stating Sam Houston State University (SHSU) is not eligible for state formula funding for its College of Osteopathic Medicine.

Code Reference:	Repeals Education Code 96.66(h)
Effective Date:	May 19, 2023
Appropriation:	SB1 creates a separate bill pattern for the SHSU College of Osteopathic Medicine and appropriates \$34.4 million to the institution for the FY 2024-25 biennium (Rider 3).
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Funding and Resource Planning

#### **Health Related**

#### HB 400 RELATING TO INNOVATION GRANT PROGRAMS TO SUPPORT RESIDENCY TRAINING PROGRAMS IN PSYCHIATRIC SPECIALTY FIELDS AND RECRUITMENT, TRAINING, AND RETENTION PROGRAMS IN BEHAVIORAL HEALTH FIELDS

AUTHOR: KLICK SPONSOR: KOLKHORST

HB 400 requires THECB, if funds are available, to establish an innovation grant program to support residency training programs in psychiatric specialty fields and an innovation grant program to support recruitment, training, and retention programs in behavioral health fields to increase the number of physicians and mental health professionals working in the state. The bill also sets forth specific elements to be included or considered in establishing these programs.

Code Reference:	Adds Subchapter D to Education Code, Chapter 58A	
	Adds Subchapter RR to Education Code, Chapter 61	
Effective Date:	September 1, 2023	
Appropriation:	None	
THECB Rulemaking:	Yes	
THECB Report:	No	
Lead Division(s):	Academic and Health Affairs	

#### HB 1488 RELATING TO SICKLE CELL DISEASE HEALTH CARE IMPROVEMENT AND THE SICKLE CELL TASK FORCE

AUTHOR: ROSE SPONSOR: MILES

HB 1488 requires medical schools and graduate medical education programs that offer programs in emergency medicine, family medicine, internal medicine, obstetrics, or pediatrics to include education focused on sickle cell disease and sickle cell trait in the curriculum requirements for those programs. The bill also requires the Health and Human Services Commission to collaborate with health-related institutions on promoting continuing education courses related to sickle cell disease for Medicaid providers and adds a researcher from a public health-related or general academic institution to the existing sickle cell task force.

Code Reference:	Adds Government Code 533.0091	
	Adds Chapter 52A to the Health and Safety Code	
	Adds Health and Safety Code 52.0008	
	Amends Health and Safety Code 52.0003, 52.0007	
Effective Date:	September 1, 2023	

Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Academic and Health Affairs

#### SB 25 RELATING TO SUPPORT FOR NURSING-RELATED POSTSECONDARY EDUCATION, INCLUDING SCHOLARSHIPS TO NURSING STUDENTS, LOAN REPAYMENT ASSISTANCE TO NURSES AND NURSING FACULTY, AND GRANTS TO NURSING EDUCATION PROGRAMS

AUTHOR: KOLKHORST SPONSOR: KLICK

SB 25 modifies an existing nursing scholarship and loan repayment program for nursing students at or nursing graduates from public institutions of higher education, private or independent institutions, and Western Governors University-Texas (WGU-Texas). The bill requires THECB to establish eligibility criteria for the program by rule, and those rules must limit the total amount of scholarship or repayment assistance for students at or graduates from WGU-Texas to no more than 10% annually.

The bill amends the Nursing Faculty Loan Repayment Program (NFLRP) to extend eligibility to part-time faculty and remove the statutory maximum award amount. The expiration date of a provision that directs proceeds from the Permanent Fund for Higher Education Nursing, Allied Health, and Other Health-Related Programs to be used by THECB for grants to nursing programs at public and private institutions of higher education is extended for four years. The bill also creates four new grant programs focused on increasing clinical training opportunities for nursing students:

- Clinical site nurse preceptor program to award grants to eligible clinical sites to support the use of nurse preceptors
- Clinical site innovation and coordination program to award grants to eligible clinical sites that create and operate innovative pilot programs
- Nursing faculty: part-time positions program to fund qualified nursing staff working at clinical sites who serve as part-time nursing faculty
- Nursing faculty: clinical training program to fund nursing faculty of institutions who seek to obtain additional training by working part-time at a clinical site

Code Reference:	Amends Education Code 61.651, 61.655, 61.656, 61.658, 61.9822, 61.9823, and 63.202
	Adds Subchapter Z-1 to Education Code, Chapter 61
	Repeals Education Code 61.653, 61.657, and 61.656(c)
Effective Date:	June 18, 2023
Appropriation:	HB 1 appropriates \$25 million, contingent on SB 25, for the nursing scholarship program. HB 1 also increases funding for the NFLRP by \$4.1 million in FY 2024-25.

THECB Rulemaking:YesTHECB Report:NoLead Division(s):Student Financial Aid Programs

#### SB 850 RELATING TO THE TEXAS CHILD MENTAL HEALTH CARE CONSORTIUM

AUTHOR: BLANCO SPONSOR: PRICE

SB 850 removes M.D. Anderson Cancer Center from the list of members of the Texas Child Mental Health Care Consortium. The bill adds each regional education service center that the executive commissioner of the Health and Human Services Commission identifies as predominately serving rural school districts to the consortium's membership and adds to its executive committee a representative of those centers. The executive committee is directed to establish the terms of executive committee members and procedures for the reappointment of members.

Code Reference:	Amends Health and Safety Code 113.0052, 113.0101, and 113.0102
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	Νο
THECB Report:	Νο
Lead Division(s):	Academic and Health Affairs

#### SB 2123 RELATING TO THE PARTICIPATION OF THE MEDICAL SCHOOL AT THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT TYLER IN THE JOINT ADMISSION MEDICAL PROGRAM

AUTHOR: HUGHES SPONSOR: HEFNER

SB 2123 adds the medical school at The University of Texas Health Science Center at Tyler to the list of medical schools authorized to participate in the Joint Admission Medical Program (JAMP).

Code Reference:	Amends Education Code 51.821(4)
Effective Date:	May 27, 2023
Appropriation:	HB 1 increases JAMP funding by \$2 million in FY 2024-25.
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Academic and Health Affairs

#### Institutional and Governance

### HB 567 RELATING TO DISCRIMINATION ON THE BASIS OF HAIR TEXTURE OR PROTECTIVE HAIRSTYLE ASSOCIATED WITH RACE

AUTHOR: BOWERS SPONSOR: MILES

HB 567 provides that any student dress or grooming policy adopted by an institution of higher education, including for any extracurricular activity, may not discriminate against a hair texture or hairstyle commonly or historically associated with race. The bill adds similar provisions related to public schools, employment (including employment at state agencies), and fair housing practices.

Code Reference:	Adds Education Code 51.979
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Human Resources

#### HB 1760 RELATING TO THE PROSECUTION OF THE OFFENSE OF POSSESSING A WEAPON IN CERTAIN PROHIBITED PLACES ASSOCIATED WITH SCHOOLS OR POSTSECONDARY EDUCATIONAL INSTITUTIONS

AUTHOR: HEFNER SPONSOR: HUGHES

HB 1760 clarifies that locations where possessing a firearm, location-restricted knife, club, or other weapon is prohibited due to a school- or institution-sponsored activity being conducted are limited to grounds or buildings owned by and under the control of an accredited primary or secondary school, a public institution of higher education, or a private or independent institution of higher education.

Code Reference:	Amends Penal Code 46.03
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	General Counsel

#### HB 2060 RELATING TO THE CREATION OF THE ARTIFICIAL INTELLIGENCE ADVISORY COUNCIL

AUTHOR: CAPRIGLIONE SPONSOR: PARKER

HB 2060 creates the Artificial Intelligence Advisory Council to study and monitor artificial intelligence systems developed, employed, or procured by state agencies, including institutions of higher education, and report its findings and recommendations to the Legislature by December 1, 2024. Council membership includes a state representative, a state senator, the executive director of the Department of Information Resources (DIR), and academic professionals from Texas institutions of higher education that specialize in ethics and artificial intelligence systems.

By July 1, 2024, each state agency must submit an inventory of all automated decision systems being developed, employed, or procured by the agency to DIR, the council, and the House and Senate committees with jurisdiction over state information technology. The inventory, submitted using a form prescribed by DIR, must describe the system, including information related to its purpose and use, the types of data involved, data security, and the fiscal impact of the technology.

Code Reference:	Adds Subchapter S to Government Code, Chapter 2054
Effective Date:	June 13, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	Yes
Lead Division(s):	Information Solutions and Services

#### HB 2804 RELATING TO USE OF THE NAME, IMAGE, OR LIKENESS OF A STUDENT ATHLETE PARTICIPATING IN AN INTERCOLLEGIATE ATHLETIC PROGRAM AT AN INSTITUTION OF HIGHER EDUCATION

AUTHOR: KUEMPEL SPONSOR: CREIGHTON

HB 2804 amends current law relating to use of the name, image, or likeness (NIL) of a student athlete participating in an intercollegiate athletic program at an institution of higher education. The bill prohibits a student athlete from entering into an NIL contract under which compensation is provided in exchange for accepting an offer of admission or for engaging in an act that occurs during an official team activity. An athlete may not use their institution's facility, uniform, trademark, or other indicia without the institution's express permission. If permission is granted, both the student and the party contracting for NIL must comply with any requirements the institution establishes and provide market average compensation for the use.

An institution may assist currently enrolled student athletes with third-party NIL opportunities, but may not act as the student's athletic agent, be compensated by the student or the third party, or attempt to influence the student's choice of professional representation. A taxexempt charitable organization may compensate a student athlete for the use of the student's NIL. Activity by the entity contracting for NIL may not be construed as an act on behalf of the institution, provided that the entity is a separate legal entity from the institution and the institution does not own or control the entity.

Information relating to an NIL contract is considered confidential and exempt from public disclosure requests under Chapter 552 of the Government Code. An institution may withhold such information without requesting a decision from the attorney general. The bill clarifies that these statutory provisions do not create a cause of action against an institution or its officers or employees relating to a student athlete's NIL.

Code Reference:	Amends Education Code 51.9246
Effective Date:	July 1, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	General Counsel

#### HB 3287 RELATING TO THE LOCATIONS OF THE CAMPUSES OF THE TEXAS STATE TECHNICAL COLLEGE SYSTEM

AUTHOR: ANDERSON SPONSOR: LAMANTIA

HB 3287 removes city-level information from existing provisions related to the location of Texas State Technical College System campuses, leaving only county-level information. The bill also adds Comal, Guadalupe, Denton, and Williamson Counties to the list of campus locations.

Code Reference:Amends Education Code 130.063(e), 135.02(a), and 135.04(b)Effective Date:June 10, 2023

Appropriation: None

THECB Rulemaking: No

THECB Report: No

Lead Division(s): Funding and Resource Planning

### HB 3993 RELATING TO THE AUTOMATIC ADMISSION OF STUDENTS WITH A NONTRADITIONAL SECONDARY EDUCATION TO CERTAIN PUBLIC INSTITUTIONS OF HIGHER EDUCATION

AUTHOR: PAUL SPONSOR: MIDDLETON

HB 3993 requires a public institution of higher education, for the purposes of determining whether an applicant is eligible for automatic admission, to grant an applicant with a

nontraditional secondary education (through a nonaccredited private school, including a home school) that does not include a class ranking the average high school graduating class rank of undergraduate applicants to the institution who have the same standardized testing scores as the applicant.

Code Reference:	Amends Education Code 51.803
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	College and Career Advising

#### HB 4997 RELATING TO A CAMPUS OF THE TEXAS STATE TECHNICAL COLLEGE SYSTEM LOCATED IN COMAL COUNTY AND GUADALUPE COUNTY

AUTHOR: KUEMPEL SPONSOR: CAMPBELL

HB 4997 adds Comal and Guadalupe Counties to the list of locations where the Texas State Technical College System is authorized to have a campus.

Code Reference:	Amends Education Code 135.02(a)
Effective Date:	June 11, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Funding and Resource Planning

SB 15 RELATING TO REQUIRING PUBLIC INSTITUTION OF HIGHER EDUCATION STUDENTS WHO COMPETE IN INTERCOLLEGIATE ATHLETIC COMPETITIONS TO COMPETE BASED ON BIOLOGICAL SEX

> AUTHOR: MIDDLETON SPONSOR: SWANSON

SB 15 prohibits an intercollegiate athletic team sponsored or authorized by an institution of higher education from allowing a student to compete on a team designated for the biological sex opposite to the student's biological sex or allowing a male student to compete on a team in a mixed-sex competition in a position designated for female students. An intercollegiate athletic team may allow a female student to compete in a competition designated for male students if a corresponding opportunity for female students is not offered or available. Under the bill's provisions, a student's biological sex is the biological sex correctly stated on the student's official birth certificate or another government record that accurately states the

student's biological sex. Such designation is considered to be correctly stated only if the designation was entered at or near the time of the student's birth or modified to correct a clerical error in the student's biological sex.

The bill prohibits an institution from retaliating against a person for reporting a violation of these requirements. A person may bring a civil action for injunctive relief against an institution or intercollegiate athletics team that violates the statute. THECB is required to adopt rules to implement the statute. The rules must ensure compliance with state and federal law regarding the confidentiality of student medical information.

Code Reference:	Adds Education Code 51.980
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	General Counsel

#### SB 17 RELATING TO DIVERSITY, EQUITY, AND INCLUSION INITIATIVES AT PUBLIC INSTITUTIONS OF HIGHER EDUCATION

AUTHOR: CREIGHTON SPONSOR: KUEMPEL

SB 17 defines "a diversity, equity, and inclusion" (DEI) office. Except as required by federal law, the bill requires the governing board of a public institution of higher education to ensure the institution does not:

- establish or maintain a DEI office;
- hire or assign an employee or third-party contractor to perform the duties of a DEI office;
- compel, require, induce, or solicit any person to provide a DEI statement or give preferential consideration to any person based on the provision of a DEI statement;
- give preference to individuals on the basis of race, color, ethnicity, or national origin to an applicant for employment, an employee, or a participant in any function in the institution; or
- require or solicit the provision of a DEI statement or participation in DEI training as a condition of enrollment or the performance of any institution function.

The governing board must also ensure the institution adopts disciplinary policies and procedures for appropriately disciplining an employee or contractor of the institution who violates these policies.

The bill clarifies that these provisions do not prohibit an institution from submitting a statement that highlights its work to support certain listed student populations or certify compliance with state and federal anti-discrimination laws as part of a grant application or the accreditation process. The bill also clarifies that these provisions do not apply to academic course instruction; scholarly research or creative work or its dissemination by students, faculty,

or research personnel; registered student organization activities; guest speaker or performers on short-term engagements; certain activities to enhance student success that are designed and implemented without regard to race, sex, color, or ethnicity; data collection; or student recruitment or admissions.

Before expending state appropriations, a governing board must certify to the Legislature and THECB the institution's compliance with these provisions. A governing board also must give public testimony before the standing legislative committees with jurisdiction over higher education regarding this compliance every two years. The state auditor must conduct compliance audits and adopt a schedule for such audits that ensures each institution is audited at least every four years. If a violation is found, and the institution does not cure it within 180 days, it is ineligible to receive certain state appropriations during the next fiscal biennium. A student or employee required to participate in DEI training is authorized to seek injunctive or declaratory relief against the institution.

THECB must conduct a biennial study to identify the impact of this bill on student postsecondary applications, enrollments, and success, disaggregated by race, sex, and ethnicity, and submit its findings and any recommendations to the Legislature by December 1 of every even-numbered year. This requirement expires on September 1, 2029.

Code Reference:	Adds Education Code 51.3525
Effective Date:	January 1, 2024
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	Yes
Lead Division(s):	Data Management and Research

## SB 18 RELATING TO THE TENURE AND EMPLOYMENT OF FACULTY MEMBERS AT CERTAIN PUBLIC INSTITUTIONS OF HIGHER EDUCATION

AUTHOR: CREIGHTON SPONSOR: KUEMPEL

SB 18 defines tenure as the entitlement of a faculty member of an institution of higher education to continue in an academic position unless dismissed for good cause. The bill states that only an institution's governing board (on the recommendation of the chief executive officer and chancellor) may grant tenure and that such a grant may not be construed to create a property interest in any attribute of a faculty position beyond continuing employment.

Governing boards must adopt policies and procedures regarding the granting of tenure and allowing for the dismissal of a tenured faculty member, subject to due process. Policies must allow dismissal for, among other things, professional incompetence; repeated failure to perform duties or meet responsibilities; conduct involving moral turpitude; conviction of certain crimes; unprofessional conduct; falsifying academic credentials; and other good cause defined in the institution's policies. They must also allow for dismissal due to actual financial exigency or the phasing out of a program. The policies may allow for summary dismissal of the faculty member, subject to due process, for serious misconduct. Governing boards are required to annually file a copy of the policies and procedures adopted under these provisions with THECB by September 1 of each year.

Code Reference:	Amends Education Code 51.942
	Repeals Education Code 51.942(d)
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	General Counsel

## SB 271 RELATING TO STATE AGENCY AND LOCAL GOVERNMENT SECURITY INCIDENT PROCEDURES

AUTHOR: JOHNSON SPONSOR: SHAHEEN

SB 271 modifies the definition of a security incident to include both breaches and suspected breaches as well as the introduction of ransomware into computers, networks, and systems. The bill also requires state agencies, including institutions of higher education, to comply with all Department of Information rules related to security incidents and subjects local government entities, such as public junior college districts, to the same statutory requirements as state agencies, including existing provisions related to the reporting of security incidents.

Code Reference:	Amends and renumbers Government Code 2054.1125 as 2054.603
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Information Solutions and Services

#### SB 1055 RELATING TO THE CREATION OF A NEW UNIVERSITY IN NACOGDOCHES, TEXAS, WITHIN THE UNIVERSITY OF TEXAS SYSTEM AND THE ALLOCATION OF THE ANNUAL CONSTITUTIONAL APPROPRIATION TO CERTAIN AGENCIES AND INSTITUTIONS OF HIGHER EDUCATION; ABOLISHING STEPHEN F. AUSTIN STATE UNIVERSITY

AUTHOR: NICHOLS SPONSOR: CLARDY

SB 1055 abolishes Stephen F. Austin State University (SFASU), recreates it as a new component institution of The University of Texas (UT) System, and expressly entitles the

institution to participate in the Permanent University Fund to the same extent as similar component institutions in the UT System. The bill also removes SFASU from the list of institutions eligible to receive an allocation from the Higher Education Fund (HEF) and reallocates SFASU's portion of the fund to the remaining HEF-eligible institutions.

Code Reference:	Adds Chapter 80 to the Education Code
	Amends Education Code 59.06, 62.021(a), and 65.02(a)
Effective Date:	May 10, 2023, except Section 5, which takes effect September 1, 2023
Appropriation:	HB 1 transfers SFASU funding, FTEs, and riders to the new UT system component institution (Sec. 18.52, Art. IX).
THECB Rulemaking:	Νο
THECB Report:	No
Lead Division(s):	Academic and Health Affairs

## SB 1517 RELATING TO PROHIBITING CERTAIN ACADEMIC BOYCOTTS OF FOREIGN COUNTRIES BY PUBLIC INSTITUTIONS OF HIGHER EDUCATION

AUTHOR: KING SPONSOR: PAUL

SB 1517 requires THECB to establish rules that prohibit public institutions of higher education in Texas from implementing academic boycotts of foreign countries that would hinder students or faculty members from studying, conducting research, or interacting with scholars or representatives of a foreign country. However, an academic boycott may be implemented if the foreign country is listed by the United States State Department as a state sponsor of terrorism, as long as it does not prevent students from studying or learning about the country.

Code Reference:	Adds Education Code 51.987
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	General Counsel

#### SB 1893 RELATING TO PROHIBITING THE USE OF CERTAIN SOCIAL MEDIA APPLICATIONS AND SERVICES ON DEVICES OWNED OR LEASED BY GOVERNMENTAL ENTITIES

AUTHOR: BIRDWELL SPONSOR: ANDERSON

SB 1893 requires governmental entities, including public institutions of higher education, to adopt policies prohibiting the installation or use of certain social media applications on devices

owned or leased by the entity. The bill requires the Department of Information Resources and the Department of Public Safety to jointly develop a model policy for governmental entities to use and to identify a list of the applications that pose a risk to the state and are subject to these provisions. Once the model policy is available, entities must adopt it within 60 days.

Code Reference:	Adds Chapter 620 to the Government Code
Effective Date:	June 14, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Information Solutions and Services

# Research

HB 1595 RELATING TO THE ADMINISTRATION AND INVESTMENT OF, AND DISTRIBUTION AND USE OF MONEY FROM, CERTAIN CONSTITUTIONAL AND STATUTORY FUNDS TO SUPPORT GENERAL ACADEMIC TEACHING INSTITUTIONS IN ACHIEVING NATIONAL PROMINENCE AS MAJOR RESEARCH UNIVERSITIES AND DRIVING THE STATE ECONOMY

> AUTHOR: BONNEN SPONSOR: HUFFMAN

HB 1595 recreates the National Research University Fund as the Texas University Fund (TUF) administered by the Texas Safekeeping Trust Company. TUF-eligible institutions must expend an average of \$20 million in federal and private research annually, award an average of 45 research doctoral degrees annually, and not be eligible for the Permanent University Fund (PUF). Currently, those institutions are the University of Houston (UH), University of North Texas (UNT), Texas Tech University (TTU), and Texas State University (TSU). Additional institutions may become eligible to participate in the TUF by achieving the required criteria, contingent upon legislative appropriations to maintain stable funding for the existing participants.

Eligible institutions are entitled to an annual distribution from the fund. TUF funds will be distributed annually in two separate tiers – 75% from the Permanent Endowment for Education and Research (PEER) base funding and 25% from research performance funding. For PEER, eligible institutions that have more than \$45 million in average federal and private research expenditures (UH and TTU) receive the highest level of funding, while the other eligible institutions (UNT and TSU) receive one-half of that amount. Additional eligible institutions may achieve the highest level of base funding if their federal and private research expenditures reach \$45 million (adjusted for inflation) for two consecutive years, contingent upon legislative appropriations. Research performance funding will be allocated based on three-year averages of federal and private research expenditures (85%) and research doctoral degrees awarded (15%). Eligible institutions are also entitled to include a portion of the TUF corpus in their reporting of institutional endowment funds, based on their share of PEER base funding. The bill

also adds increasing technology transfer, commercialization, patent development, and the number of research doctoral graduates to the list of permissible uses of TUF funding.

The Core Research Support Fund will be repurposed as the National Research Support Fund (NRSF) and distributed to PUF-eligible institutions that otherwise meet the TUF eligibility requirements. Currently, those institutions are The University of Texas at Arlington, The University of Texas at Dallas, The University of Texas at El Paso, and The University of Texas at San Antonio. Additional PUF-eligible institutions may become eligible to participate in the NRSF by achieving the required thresholds of annual research expenditures (adjusted for inflation) and research doctorates awarded. Allocation of the Comprehensive Research Fund for institutions that are not eligible for the Texas Research University Fund (TRUF), TUF, or NSRF will also be based on the three-year average of federal and private sponsored research expenditures.

HB 1595 is the enabling legislation for HJR 3.

Code Reference:	Amends Education Code 51.406(c), 62.092(2), 62.095, 62.131, 62.132, 61.133, 62.134, 62.141, 62.142, 62.143, 62.144, 62.145, 62.148, and 62.149
	Adds Education Code 62.1335, 62.1481, 62.1482, 62.150, 62.151, and 62.152
	Repeals Education Code 62.096(a), (b), (e); 62.135(b); 62.142(2); 62.146; 62.147; and 62.148(d), (e), (f)
Effective Date:	January 1, 2024, if HJR 3 is approved by the voters
Appropriation:	HB 1 creates a new bill pattern for the Available Texas University Fund and appropriates \$136.4 million in general revenue for distribution in FY 2024 and an estimated \$137 million in TUF earnings for distribution in FY 2025, if HJR 3 passes (Sec. 18.16, Art. IX).
	HB1 appropriates an additional \$50 million for the NRSF, contingent on matching institutional funds from the participating institution's board of regents. Funds will be reallocated among participating institutions based on the new methodology.
	HB1 appropriates an additional \$15.7 million to the Comprehensive Research Fund. Funds will be reallocated among participating institutions based on the new methodology.
	SB 30 appropriates \$3 billion to the TUF (Sec. 4.24), if HJR 3 passes.
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	Funding and Resource Planning

# HB 3447 RELATING TO THE ESTABLISHMENT AND ADMINISTRATION OF THE TEXAS SPACE COMMISSION AND THE TEXAS AEROSPACE RESEARCH AND SPACE ECONOMY CONSORTIUM

#### AUTHOR: BONNEN Sponsor: Huffman

HB 3447 creates the Texas Space Commission to strengthen Texas' leadership in civil, commercial, and military aerospace activity. The commission is administratively attached to the Office of the Governor and is governed by a nine-member board of directors. Three directors each are appointed by the governor, lieutenant governor, and speaker, who shall prioritize appointing individuals with experience in aerospace economic and research activity.

Among its duties, the commission shall create and annually update a strategic plan for the promotion of space, aeronautics, and aviation economic development in Texas. The strategic plan must include a list of potential projects that further the purpose of the commission. The commission oversees the Space Exploration and Aeronautics Research Fund to provide grants to business, nonprofit, and governmental entities involved in space exploration, research, or aeronautics.

The bill also establishes the Texas Aerospace Research and Space Economy Consortium. This body will identify research opportunities within this state that strengthen and improve the state's leadership in civil, commercial, and military aerospace activity and will provide funding and research recommendations to the commission. The consortium is composed of public institutions of higher education and governed by an executive committee to include two appointees each by the governor, lieutenant governor, and speaker, as well as the chancellors of the UT and A&M Systems and the president of Rice University.

Code Reference:	Adds Chapter 482 to the Government Code
Effective Date:	September 1, 2023
Appropriation:	HB 1 includes \$200 million for Texas A&M University and \$150 million for the Space Exploration and Aeronautics Research Fund, contingent upon enactment of HB 3447.
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Workforce Education

## HB 5174 RELATING TO THE ESTABLISHMENT AND ADMINISTRATION OF THE TEXAS SEMICONDUCTOR INNOVATION CONSORTIUM

Author: Bonnen Sponsor: Huffman

HB 5174 establishes the Texas Semiconductor Innovation Consortium to advise the governor and Legislature on sustaining and strengthening the state's leadership and workforce in advanced semiconductor research, design, and manufacturing. The consortium is composed of certain public institutions of higher education and governed by an executive committee to include three governor appointees, two appointees each by the lieutenant governor and speaker, as well as the chancellors of the UT and A&M Systems. The consortium is administratively attached to the Office of the Governor. Among its duties, the executive committee shall create and biennially update a strategic plan for the promotion of the semiconductor industry and innovation in Texas. The strategic plan must include information on funding and research opportunities recommended by consortium members. The consortium also oversees the Texas Semiconductor Innovation Fund that may be used to provide matching funds and grants to business and governmental entities for projects related to semiconductor research, design, and manufacturing.

Code Reference:	Adds Subchapter GG to Government Code, Chapter 481
Effective Date:	June 9, 2023
Appropriation:	HB 1 appropriates \$1.3 million to the Office of the Governor's Trusteed Programs for implementation of HB 5174.
	SB 30 appropriates \$698.3 million for the Texas Semiconductor Innovation Fund.
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Workforce Education

# HJR 3 PROPOSING A CONSTITUTIONAL AMENDMENT RELATING TO THE TEXAS UNIVERSITY FUND, WHICH PROVIDES FUNDING TO CERTAIN INSTITUTIONS OF HIGHER EDUCATION TO ACHIEVE NATIONAL PROMINENCE AS MAJOR RESEARCH UNIVERSITIES AND DRIVE THE STATE ECONOMY

AUTHOR: BONNEN SPONSOR: HUFFMAN

HJR 3 proposes an amendment to the Texas Constitution to recreate the National University Research Fund as the Texas University Fund (TUF). The resolution clarifies that institutions eligible to receive funding from the Permanent University Fund are ineligible to participate in the TUF and that appropriations made to the TUF are to be treated as the appropriation of revenues dedicated by the constitution.

The resolution also annually appropriates an amount equal to Economic Stabilization Fund (ESF) interest income, dividends, and investment earnings (minus any management expenses) from the ESF to the comptroller for deposit in the TUF. The amount of this appropriation is limited to \$100 million for FY 2024. In subsequent fiscal years, the appropriation is limited to the appropriation made in the preceding year, adjusted for inflation using the consumer price index, not to exceed 2%.

HB 1595 is the enabling legislation for HJR 3.

Code Reference:	Adds subsections (p) and (q) to Texas Constitution, Art III, Sec. 49-g
	Adds subsection (i) to Texas Constitution, Art, VIII, Sec. 20
	Amends Texas Constitution, Art. VIII, Sec. 20 (a) and (g)
Effective Date:	Election to be held November 7, 2023

Appropriation:	HB 1 creates a new bill pattern for the Available Texas University Fund and appropriates \$136.4 million in general revenue for distribution in FY 2024 and an estimated \$137 million in TUF earnings for distribution in FY 2025 (Sec. 18.16, Art. IX).
	SB 30 appropriates \$3 billion to the TUF (Sec. 4.24).
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	Funding and Resource Planning

## **Student Success**

HB 1361 RELATING TO THE DESIGNATION OF LIAISON OFFICERS TO ASSIST CERTAIN STUDENTS AT PUBLIC INSTITUTIONS OF HIGHER EDUCATION WHO ARE PARENTS

AUTHOR: MORALES SHAW SPONSOR: ECKHARDT

HB 1361 requires public institutions of higher education to designate a staff member to serve as a liaison to current and incoming students that are parents to minor children and to connect those students with support services and resources. These services and resources include information on how the students can access medical coverage, affordable housing and food security programs, childcare, transportation services, and student success strategies. Institutions must submit an annual report to THECB detailing information regarding the population of students at the institution who are parents to minors.

Code Reference:	Adds Education Code 51.9357
Effective Date:	June 12, 2023
Appropriation:	None
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	Student Success

## SB 55 RELATING TO A STUDY AND REPORT BY THE TEXAS HIGHER EDUCATION COORDINATING BOARD REGARDING BEST PRACTICES FOR ASSISTING STUDENTS WITH AUTISM SPECTRUM DISORDER

AUTHOR: ZAFFIRINI SPONSOR: GONZÁLEZ, MARY

SB 55 requires THECB, in collaboration with the Advisory Council on Postsecondary Education for Persons with Intellectual and Developmental Disabilities, to conduct a study on best practices for assisting students with autism spectrum disorder (ASD) enrolled at institutions of higher education. The study must track graduation rates, enrollment numbers, available financial assistance, and identify successful practices and program modules from out-of-state institutions. THECB will collaborate with the Texas Education Agency to explore replicating specialized programs for ASD students and must submit the study's findings and recommendations in a written report by December 1, 2025. These provisions expire on January 1, 2026.

Code Reference:	Adds Education Code 61.06694
Effective Date:	June 18, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	Yes
Lead Division(s):	Student Success

# SB 412 RELATING TO PROTECTIONS FOR PREGNANT AND PARENTING STUDENTS ENROLLED IN PUBLIC INSTITUTIONS OF HIGHER EDUCATION

AUTHOR: PAXTON SPONSOR: GUILLEN

SB 412 codifies protections for pregnant and parenting students (students who are parents of children under 18 years of age) against discrimination at public institutions of higher education. The bill requires institutions to make reasonable accommodations for a pregnant student as they would for a student with a temporary medical condition, such as excusing a student's absence, providing online course materials and videos, and providing additional time to complete missed assignments or assessments.

Institutions are required to allow parenting and pregnant students to take a leave of absence and return to their program without needing to reapply if the student is in good academic standing when they take leave. The bill also requires institutions, by January 15, 2024, to adopt a policy for students on pregnancy and parenting discrimination that includes information for the designated point of contact at the institution for requesting accommodations, is posted on the institution's website, and is provided annually to students, faculty, and staff.

Code Reference:	Adds Education Code 51.982
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	Student Success

# SB 459 RELATING TO EARLY REGISTRATION FOR PARENTING STUDENTS AT PUBLIC INSTITUTIONS OF HIGHER EDUCATION

AUTHOR: PAXTON SPONSOR: HARRIS, CAROLINE

SB 459 requires a public institution of higher education to offer early registration for courses or programs to parenting students if the institution offers it for any other group of students.

Code Reference:	Adds Education Code 51.983
Effective Date:	September 1, 2023
Appropriation:	None
THECB Rulemaking:	Yes
THECB Report:	No
Lead Division(s):	Student Success

# **Tri-Agency Initiatives**

HB 1703 RELATING TO THE WORKFORCE DEVELOPMENT EVALUATION SYSTEM ADMINISTERED BY THE TEXAS WORKFORCE COMMISSION, INCLUDING THE ESTABLISHMENT OF A WORKFORCE DEVELOPMENT CAREER EDUCATION AND TRAINING EVALUATION PILOT PROGRAM

> AUTHOR: ORDAZ SPONSOR: BLANCO

HB 1703 establishes a workforce development career education and training evaluation pilot program administered by the Texas Workforce Commission (TWC). Under the program, the Borderplex local workforce development board will collect and evaluate data on local career education and training programs to identify successful components and data gaps, including an analysis of job placement performance by occupation and provider. TWC will submit a report on the pilot program's results and a recommendation for its continuation on a statewide basis by December 2028, and these provisions expire on September 1, 2029.

Adds Labor Code 302.0201	
Amends Labor Code 302.001, 302.082, and 302.083	
September 1, 2023	
None	
No	
No	
Workforce Education	

#### HB 1755 RELATING TO THE CREATION OF THE LONE STAR WORKFORCE OF THE FUTURE FUND

AUTHOR: BUTTON SPONSOR: ALVARADO

HB 1755 creates the Lone Star Workforce of the Future Fund as a dedicated account in the General Revenue Fund to award grants to public community colleges, public technical institutes, and nonprofit organizations for the provision of performance-based workforce training programs that supply entry to mid-level jobs in high-demand occupations. The Texas Workforce Commission is required to administer the grant program, establish performance benchmarks for grantees, and monitor grantee compliance through biannual reporting. The bill also sets forth additional requirements related to grantee eligibility and performance. THECB has an appointee on the fund's advisory board.

Code Reference:	Adds Chapter 134A to the Education Code
Effective Date:	September 1, 2023
Appropriation:	SB 1 appropriates \$2.5 million/year for the fund (Sec. 18.18, Art. IX), contingent upon HB 1755.
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	Workforce Education

## HB 2209 RELATING TO ESTABLISHING THE RURAL PATHWAY EXCELLENCE PARTNERSHIP (R-PEP) PROGRAM AND CREATING AN ALLOTMENT AND OUTCOMES BONUS UNDER THE FOUNDATION SCHOOL PROGRAM TO SUPPORT THE PROGRAM

AUTHOR: LOZANO SPONSOR: HINOJOSA

HB 2209 requires the Commissioner of Education to establish and administer the Rural Pathway Excellence Partnership (R-PEP) program to incentivize and expand opportunities for underserved students in rural areas to succeed in education and promote economic development. Through R-PEP, eligible school districts with fewer than 1,600 students may partner with other districts within 100 miles to offer college and career pathways aligned with regional workforce needs. Each partnership must be managed by a coordinating entity and through a performance agreement between that entity and the participating school districts. The bill sets forth requirements related to those entities and agreements. The commissioner authorizes partnerships and awards grants for the planning, development, establishment, and expansion of partnerships under the program. The bill also provides additional funding through a new allotment and outcomes bonus for school districts that participate in R-PEP.

Code Reference:	Adds Education Code 29.912 and 48.118
Effective Date:	June 2, 2023, except Section 2, which takes effect September 1, 2023
Appropriation:	None
THECB Rulemaking:	No

THECB Report:NoLead Division(s):Workforce Education

# HB 2920 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

AUTHOR: PAUL SPONSOR: BETTENCOURT

HB 2920 requires THECB to develop one or more electronic tools or online platforms to provide information to assist prospective students in assessing the value of postsecondary credential programs offered by public and private institutions of higher education. The tool must allow comparison among institutions regarding: the relative cost of obtaining the credential; the value of the credential as measured by comparing median wages and median student debt; average debt-to-income ratios and graduates' progress in repaying debt; and the educational outcomes of students.

Prominent links to the tool must be included on the Texas Education Agency website, a credential library established by the Tri-Agency Workforce Initiative, and the common admission application forms adopted by institutions of higher education, including ApplyTexas. The bill also requires that information related to postsecondary applicants and students that is obtained, received, or held by THECB for the purpose of increasing access to postsecondary education is confidential and released only in conformity with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

Code Reference:	Adds Education Code 61.09022
	Amends Education Code 7.040, 51.762, 51.763, and 61.031
	Amends and redesignates Education Code 7.040(c) as 61.09022(b)
	Amends Government Code 2308A.007
Effective Date:	June 18, 2023
Appropriation:	None
THECB Rulemaking:	Yes
THECB Report:	Yes
Lead Division(s):	Data Management and Research

**SB 1659** RELATING TO THE SUNSET REVIEW PROCESS AND CERTAIN GOVERNMENTAL ENTITIES SUBJECT TO THAT PROCESS

AUTHOR: SCHWERTNER SPONSOR: HOLLAND SB 1659 delays the sunset dates for the Texas Education Agency and THECB to September 1, 2029. The bill also changes sunset dates for numerous other agencies.

Code Reference:	Amends Education Code 7.004(a) and 61.0211
Effective Date:	June 18, 2023
Appropriation:	None
THECB Rulemaking:	No
THECB Report:	No
Lead Division(s):	General Counsel

# Workforce Education

HB 1859 RELATING TO THE REGULATION OF AIR CONDITIONING AND REFRIGERATION CONTRACTING, INCLUDING ELIGIBILITY FOR AN AIR CONDITIONING AND REFRIGERATION TECHNICIAN REGISTRATION OR CERTIFICATION

> AUTHOR: SCHAEFER SPONSOR: PERRY

HB 1859 requires the Texas Department of Licensing and Regulation to recognize certain career and technology education (CTE) programs offered by public and private schools and public institutions of higher education as air conditioning and refrigeration technician certification training programs. The Texas Commission of Licensing and Regulation is required to adopt rules regarding renewal fees and continuing education requirements for instructors of those CTE programs and adopt standards for the essential knowledge and skills of those programs. The bill specifies that an institution's CTE program may not be more rigorous than one offered by a public high school.

Code Reference:	Adds Occupations Code 1302.1015 and 1302.5037	
	Amends Occupations Code 1302.002, 1302.502, 1302.503, 1302.5035, and 1302.5036	
Effective Date:	September 1, 2023	
Appropriation:	None	
THECB Rulemaking:	No	
THECB Report:	No	
Lead Division(s):	Workforce Education	

## SB 2139 RELATING TO THE ESTABLISHMENT OF THE OPPORTUNITY HIGH SCHOOL DIPLOMA PROGRAM

AUTHOR: PARKER SPONSOR: LONGORIA SB 2139 establishes the Opportunity High School Diploma program, allowing adult students in workforce education programs at public junior colleges to concurrently earn a high school diploma. THECB will administer the program in consultation with the Texas Education Agency and the Texas Workforce Commission (TWC) and may approve up to five applications from colleges to offer the program. Colleges may apply to offer the program in partnership with other colleges, general academic institutions, public school districts, or nonprofit organizations. Participating colleges may award a high school diploma, which is equivalent to a foundation high school diploma, to a student who performs satisfactorily on an assessment prescribed by THECB rule. THECB will work with TWC to identify funding mechanisms to encourage participation in the program and must submit a progress report on the program to the Legislature by December 1, 2026.

Code Reference:	Adds Subchapter O to Education Code, Chapter 130
Effective Date:	June 18, 2023
Appropriation:	None
THECB Rulemaking:	Yes
THECB Report:	Yes
Lead Division(s):	Workforce Education

# **Cross-Reference Tables**

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