

## **BILL ANALYSIS**

S.B. 1655  
By: West  
Higher Education  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

It is reported that, previously, funds were collected by the Texas Higher Education Coordinating Board from private postsecondary institutions operating under certificates of authority. Stakeholders note that with the recognition of additional national accreditors, the vast majority of institutions now operate under a certificate of authorization instead. Since the coordinating board is not authorized to collect fees from certificate of authorization institutions, the costs of operating the approval processes for these institutions have been absorbed by the coordinating board. This situation has resulted in an inordinate and uncompensated workload and reduced resources for other coordinating board responsibilities. Additionally, institutions have expressed the need for a repository of standardized transcripts in the event that a career college goes out of business or withdraws from the state. S.B. 1655 seeks to address these needs.

### **CRIMINAL JUSTICE IMPACT**

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

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTIONS 1 and 3 of this bill.

### **ANALYSIS**

S.B. 1655 amends the Education Code to authorize the Texas Higher Education Coordinating Board by rule to establish a fee to be charged by the coordinating board to cover all or a portion of the coordinating board's costs associated with issuing, maintaining, or revising a certificate of authorization or certificate of authority for certain private postsecondary educational institutions and for public institutions of higher education established outside the boundaries of Texas that have coordinating board approval to offer a course or a grouping of courses within Texas, as applicable, and associated with maintaining a repository for student transcripts from closed institutions that were authorized to operate under such certificates of authorization or certificates of authority. The bill prescribes the schedule of fee caps for specified coordinating board actions taken with respect to a certificate of authorization or authority.

S.B. 1655 requires the coordinating board to maintain a repository for student transcripts from certain closed private postsecondary educational institutions authorized to operate under a certificate of authorization or certificate of authority using fees received by the coordinating board from institutions operating under those certificates as part of the institutions' initial and ongoing authorization to operate. The bill authorizes the coordinating board, if those fees are not sufficient to cover the cost of maintaining the repository, to discontinue its maintenance of the repository, unless adequate state funding is provided for that maintenance. The bill authorizes the coordinating board to charge a fee to students requesting transcript copies maintained in the

repository, not to exceed the cost of retrieving, reproducing, and sending the transcript copies. The bill requires a closed or closing private postsecondary educational institution to provide its student transcript records to the coordinating board in the format specified by the coordinating board for inclusion in the repository.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.