

BILL ANALYSIS

Senate Research Center
80R1901 KSD-D

S.B. 1029
By: Shapiro
S/C on Higher Education
4/20/2007
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The state has many goals for improving higher education in Texas, such as increasing enrollment and graduation rates for high risk students. Those goals have not been achieved to the necessary level. Currently, Texas higher education institutions (institutions) are not rewarded for working to fulfill the state's goals. The institutions need to strive to reach the state's goals while ensuring that they maintain high quality in education. Section 61.0591 (Incentive and Special Initiative Funding), Education Code, provides an incentives program but this program was never funded and had 18 different measures for determining performance, making it too complex.

The incentives program established in this legislation is a value-added approach, and funding will be based on a point system with a two-measure approach: degrees awarded and a major field test or licensure exam. The point system for degrees awarded is two-fold. More points are given for degrees awarded in critical fields (e.g., science, math, nursing, engineering, and education) and more points are given for degrees awarded to at-risk students.

As proposed, S.B. 1029 provides an incentive program to encourage institutions of higher education to improve graduation rates and enrollment.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Sections 61.9801, 61.9802, and 61.9804, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 61, Education Code, by adding Subchapter EE, as follows:

SUBCHAPTER EE. PERFORMANCE INCENTIVE FUNDING

Sec. 61.9801. PERFORMANCE INCENTIVE FUNDING FOR CERTAIN GENERAL ACADEMIC TEACHING INSTITUTIONS. (a) Provides that this section only applies to general academic teaching institutions other than public state colleges.

(b) Defines "advanced degree," "at-risk student," "critical field," and "major field test."

(c) Provides that, except otherwise provided under Subdivision (2), the fields of engineering, computer sciences, mathematics, physical science, allied health, nursing, and teaching certification in the field of science or mathematics are critical fields. Authorizes the Texas Higher Education Coordinating Board (THECB), based on certain considerations, by rule to designate as a critical field a field of study that is not currently designated by this subsection or by THECB as a critical field or remove a field of study from the list of fields currently designated by this subsection or by THECB as critical fields beginning September 1, 2010.

(d) Provides the certain manner in which a student's assessment score percentage on a major field test can be computed for purposes of this section.

(e) Requires THECB, for each state fiscal year, to distribute any performance incentive funds appropriated by the legislature for the purposes of this section,

and any other funds made available for the purposes of this section, to institutions to which this section applies in proportion to the number of points assigned to each institution under the tables prescribed by Subsections (g) and (h).

(f) Provides that a number of points is assigned in accordance with Subsections (g) and (h) only on the basis of a degree awarded or a performance on a major field test taken during the state fiscal year preceding the year for which the distribution of funds under this section is made. Prohibits points from being assigned for any degree awarded to an international student.

(g) Sets forth the number of points assigned for a bachelor's degree awarded to a student by an institution to which this section applies based on the student's performance on a major field assessment.

(h) Sets forth the number of points assigned for an advanced degree awarded to a student by an institution to which this section applies based on the type of advanced degree awarded.

Sec. 61.9802. PERFORMANCE INCENTIVE FUNDING FOR COMMUNITY COLLEGES, PUBLIC TECHNICAL INSTITUTES, AND PUBLIC STATE COLLEGES. (a) Provides that this section applies only to community colleges, public state technical institutes, and public state colleges.

(b) Defines "at-risk student," "critical field," and "general education test."

(c) Provides that, except as otherwise provided under Subsection (2), the fields of engineering, technology, computer science, mathematics, physical science, allied health, and nursing are critical fields. Authorizes THECB, based on certain considerations, by rule to designate as a critical field a field of study that is not currently designated by this subsection or by THECB as a critical field or remove a field of study from the list of fields currently designated by this subsection or by THECB as critical fields beginning September 1, 2010.

(d) Provides that specific examinations are considered general education tests, except as otherwise provided under Subdivision (2). Authorizes THECB, based on certain considerations, by rule to designate as a general education test a test or other assessment instrument that is not currently designated by this subsection or by THECB as a general education test or, after September 1, 2010, remove a test or other assessment instrument from the list of tests and assessment instruments currently designated by this subsection or by THECB as general education tests.

(e) Provides the certain manner in which a student's assessment score percentage on a general education test can be computed for purposes of this section.

(f) Requires THECB, for each state fiscal year, to distribute any performance incentive funds appropriated by the legislature for the purposes of this section, and any other funds made available for the purposes of this section, to institutions to which this section applies in proportion to the number of points assigned to each institution under the tables prescribed by Subsections (h) and (i).

(g) Provides that a number of points is assigned in accordance with Subsections (h) and (i) only on the basis of a degree or certificate awarded, a performance on a general education test taken, or a student transfer made during the state fiscal year preceding the year for which the distribution of funds under this section is made. Prohibits points from being assigned for any degree or certificate awarded in a program on a topic or at a level that THECB determines does not merit funding under this section or to an international student.

(h) Sets forth the number of points assigned for an associate's degree or certificate awarded to a student by an institution to which this section applies based on the student's performance on a general education test.

(i) Sets forth the number of points assigned for each student who, in the preceding state fiscal year, completed at least 30 semester credit hours at the institution with a grade point average of at least 2.5 on the grading scale established by THECB under Section 51.807 (Rulemaking) before transferring to a general academic teaching institution other than a public state college.

Sec. 61.9803. PERFORMANCE INCENTIVE FUNDING FOR MEDICAL AND DENTAL UNITS. (a) Provides that this section applies only to medical and dental units.

(b) Defines "licensing examination."

(c) Sets forth the certain manner in which a student's examination percentage is computed for purposes of this section.

(d) Requires THECB, for each state fiscal year, to distribute any performance incentive funds appropriated by the legislature for the purposes of this section, and any other funds made available for the purposes of this section, to institutions to which this section applies in proportion to the number of points assigned to each institution under the tables prescribed by Subsections (f) and (g).

(e) Provides that a number of points is assigned in accordance with Subsections (f) and (g) only on the basis of a degree awarded, a first-year residency completed, or a performance on a licensing examination taken during the state fiscal year preceding the year for which the distribution of funds under this section is made. Prohibits points from being assigned for any degree awarded to an international student.

(f) Sets forth the number of points assigned for a bachelor's degree in an allied health field or nursing or a professional degree awarded to a student by an institution to which this section applies based on the student's performance of a licensing examination.

(g) Sets forth the number of points assigned for a degree awarded to a student by an institution to which this section applies, other than a bachelor's degree in an allied health field or nursing, based on the type of degree awarded.

Sec. 61.9804. RULES. Requires THECB to adopt rules for the administration of this subchapter.

Sec. 61.9805. REPORT BY INSTITUTIONS TO BOARD. Requires each institution of higher education, not later than September 1 of each year and in accordance with rules adopted by THECB, to compile and submit a report to THECB that includes certain data regarding each student who was awarded a degree or certificate by the institution, completed on a first-year residency with the institution, or transferred from the institution to a general academic teaching institution other than a public state college during the preceding state fiscal year.

Sec. 61.9806. PASSING SCORE ON MAJOR FIELD TEST OR GENERAL EDUCATION TEST NOT REQUIRED FOR GRADUATION. Provides that this subchapter does not require any student to receive a passing score on a major field test, as defined by Section 61.9801, or a general education test, as defined by Section 61.9802, as a prerequisite to graduating from an institution of higher education.

Sec. 61.9807. PAYMENT BY INSTITUTION OF COST OF MAJOR FIELD TEST OR GENERAL EDUCATION TEST. Requires an institution of higher education that administers a major field test as defined by Section 61.9801, or a general education test as defined by Section 61.9802, to a student for purposes of this subchapter to pay for the cost of the test, unless the test is an examination required for the issuance of a professional or occupational license.

Sec. 61.9808. REPORT OF GRE, GMAT, LSAT, OR MCAT SCORE TO INSTITUTIONS BY ADMINISTERING ENTITY. (a) Requires an entity that administers certain examinations to a person in Texas to report the person's score to certain institutions of higher education.

(b) Requires a person who registers for an examination described by Subsection (a) in Texas, for purposes of this section, to report to the entity administering the examination at the time of the person's registration the name of any institution of higher education in which the person is enrolled on the date of the person's registration or from which the person has been awarded a degree or certificate.

(c) Requires THECB to prescribe procedures and take other actions THECB considers appropriate to promote compliance with this section.

Sec. 61.9809. REPORT OF GRE, GMAT, LSAT, OR MCAT SCORES ON TRANSCRIPTS BY INSTITUTIONS. Requires an institution of higher education that receives an examination score for a student or graduate of the institution on an examination under Section 61.9808 to include the student's score on the student's transcript.

Sec. 61.9810. REPORT TO BOARD AND LEGISLATURE BY EDUCATION RESEARCH CENTER REGARDING EVALUATION OF POINT ASSIGNMENTS. Requires THECB, each state fiscal biennium, to provide for the evaluation by an education research center established under Section 1.005 (Education Research Centers; Sharing Student Information) of the points assigned under Sections 61.9801, 61.9802, and 61.9803. Requires the education research center, not later than November 1 of each even-numbered year, to submit to THECB and the legislature a written report regarding the center's evaluation under this section, including any recommendations for changes to the points assigned under those sections.

SECTION 2. Repealer: Section 61.0591 (Incentive and Special Initiative Funding), Education Code.

SECTION 3. Requires THECB to adopt rules relating to the administration of Subchapter EE, Chapter 61, Education Code, as added by this Act, as soon as practicable after the effective date of this Act.

SECTION 4. Makes application of Sections 61.9808 and 61.9809, Education Code, as added by this Act, prospective.

SECTION 5. Effective date: September 1, 2008.