# **BILL ANALYSIS**

Senate Research Center 85R22613 KJE-D

H.B. 17 By: Lozano (Seliger) Higher Education 5/12/2017 Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Interested parties see a need for more innovation at public institutions of higher education. The purpose of H.B. 17 is to provide for that innovation by establishing the Texas Higher Education Innovation Accelerator.

H.B. 17 amends current law relating to the establishment of the Texas Higher Education Innovation Accelerator for public institutions of higher education.

#### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 60.013, Education Code) of this bill.

# **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subtitle A, Title 3, Education Code, by adding Chapter 60, as follows:

### CHAPTER 60. TEXAS HIGHER EDUCATION INNOVATION ACCELERATOR

Sec. 60.001. DEFINITIONS. Defines "accelerator," "board," "governing board," "institution of higher education," "commissioner," and "participating institution."

Sec. 60.002. PURPOSE. Establishes the Texas Higher Education Innovation Accelerator (accelerator) to support and accelerate innovation in educational delivery at institutions of higher education (IHEs) and to advance state educational workforce goals.

Sec. 60.003. ELIGIBILITY. Requires the commissioner of higher education (commissioner), in consultation with IHEs, established institutional collaboratives, and state and national subject matter experts, to establish eligibility criteria for an IHE's participation in the accelerator. Requires that the criteria include demonstrated success, as determined by the commissioner, in certain areas.

Sec. 60.004. NOTIFICATION AND INVITATION TO PARTICIPATE. (a) Requires the commissioner to notify the governing board and chief executive officer of each IHE regarding the accelerator's implementation process and invite eligible IHEs to participate in the accelerator.

(b) Requires the commissioner to develop, in consultation with IHEs, established institutional collaboratives, and state and national subject matter experts, and post on the Texas Higher Education Coordinating Board's (THECB's) Internet website certain information.

Sec. 60.005. INNOVATION PLAN. (a) Requires an eligible IHE, to participate in an accelerator, to submit a letter of intent to participate to the commissioner and develop and submit an innovation plan to the IHE's governing board as provided by this section.

(b) Requires that an innovation plan include certain information.

- (c) Authorizes the IHE, in addition to the state statutes or rules identified under Subsection (b)(8) (relating to requiring that the innovation plan identify certain state statutes or rules), to also identify other state statutes or rules that inhibit the goals of the innovation plan but from which the IHE is not seeking an exemption.
- (d) Authorizes an innovation plan to include one or more departments or certificate or degree programs.
- (e) Requires an IHE, if an eligible IHE's governing board approves a developed innovation plan, to submit a copy of the plan to the commissioner and post the plan on the IHE's Internet website.
- (f) Authorizes an eligible IHE to implement one or more innovation plans that comply with this section.

Sec. 60.006. PERMISSIBLE EXEMPTIONS. (a) Provides that a participating IHE, on approval of an innovation plan by the IHE's governing board, is exempt from the state statutes or rules identified in the plan or identified by the commissioner as needing to be exempted for proper implementation of the plan.

- (b) Provides that a participating IHE's exemption under Subsection (a) applies to any subsequent amendment or redesignation of the exempted state statute or rule, unless the subsequent amendment or redesignation specifically applies to participating IHEs or an educational program offered under this chapter.
- (c) Prohibits a participating IHE from receiving an exemption under this section from certain statutes, rules, and requirements.

Sec. 60.007. DUTIES OF COMMISSIONER. (a) Requires the commissioner to:

- (1) maintain and post on THECB's Internet website a list of state statutes or rules from which participating IHEs are exempt under this chapter;
- (2) ensure that each participating IHE provides transparent and accurate reporting on the IHE's progress with the innovation plan;
- (3) provide technical assistance to participating IHEs on request; and
- (4) hold meetings of all participating IHEs at times established by THECB rule to facilitate cross-institutional collaboration and publicity about innovative educational programs developed by the IHEs.
- (b) Requires the commissioner to annually prepare and submit to the legislature and the governing board of each participating IHE a report on the accelerator. Requires that the report include certain information.

Sec. 60.008. DUTIES OF PARTICIPATING INSTITUTIONS. Requires a participating IHE to track the progress and success of the IHE's innovation plan in accordance with the assessment and success measures detailed in the plan and participate in regular meetings of the participating IHEs and the research and evaluation efforts of the accelerator.

Sec. 60.009. EVALUATION OF INNOVATION PLAN. (a) Requires a participating IHE, in accordance with THECB rule, to partner or contract with one or more private organizations, including a nonprofit organization, to evaluate the IHE's innovation plan and the results of the plan's implementation.

(b) Requires that the results of an evaluation of a participating IHE's innovation plan be provided to each participating IHE and to the commissioner and posted on the IHE's Internet website.

Sec. 60.010. TERM. Prohibits the term of an IHE's participation in the accelerator from being less than four years, and the term of an innovation plan from being less than three years or more than five years.

Sec. 60.011. AMENDMENT, RESCISSION, OR RENEWAL OF INNOVATION PLAN. (a) Authorizes an innovation plan to be amended by the chief academic officer of a participating IHE with prior notification to the commissioner and the IHE's governing board.

- (b) Authorizes an innovation plan to be rescinded or renewed subject to approval of the participating IHE's governing board.
- (c) Authorizes the commissioner to recommend to a participating IHE's governing board that the governing board renew the innovation plan due to the IHE's performance or rescind its approval of the innovation plan if the IHE does not, as determined by the commissioner, meet certain conditions.

Sec. 60.012. TERMINATION BY COMMISSIONER. (a) Authorizes the commissioner to remove a participating IHE from the accelerator if the IHE fails to meet eligibility requirements, as determined by the commissioner, for at least two consecutive years.

- (b) Requires the IHE, except as provided by Subsection (c), if a participating IHE is removed from the accelerator, to modify its educational programs as necessary to comply with previously exempted state statutes or rules not later than a certain date.
- (c) Authorizes the commissioner to exempt a participating IHE removed from the accelerator from state statutes or rules as necessary to minimize disruption for students enrolled in the educational programs offered under the IHE's innovation plan.

Sec. 60.013. RULES. Authorizes THECB to adopt rules as necessary to implement this chapter.

SECTION 2. (a) Requires the commissioner, not later than the 30th day after the effective date of this Act, to notify the governing board and chief executive officer of each public IHE regarding the implementation process for the accelerator established under Chapter 60, Education Code, as added by this Act, as required by Section 60.004(a) of that chapter.

- (b) Requires the commissioner, not later than January 1, 2018, to:
  - (1) invite eligible public IHEs to participate in the accelerator as provided by Section 60.004(a), Education Code, as added by this Act; and
  - (2) post on THECB's Internet website the information required under Section 60.004(b), Education Code, as added by this Act.

SECTION 3. Provides that this Act applies beginning with the 2018-2019 academic year.

SECTION 4. Effective date: upon passage or September 1, 2017.