

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1490
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Higher Education
4/1/2021
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Background/Issue

Clinical rotations, or clerkships, are a critical component of educating healthcare professionals, including medical, dental, nursing, and other students. Like in graduate medical education (residency programs), students in clerkships are placed in a clinical setting and trained on the delivery of healthcare. Clerkships are the first formal introduction to hands on health care that exposes students to the fundamentals of care delivery and the many fields from which they will choose to pursue throughout the rest of their training and careers.

Just as with residency programs, Texas must ensure the availability of clerkships within the state for students at Texas institutions of higher education. An inadequate supply of clinical placement opportunities increases the cost of healthcare professional education, restricts the ability of Texas programs to expand, and ultimately undermines the state's efforts to create the robust healthcare workforce we need, further imperiling the health of Texans and the state's economic future.

Recognizing the importance of ensuring that Texas's institutions of higher education are able to secure clerkships for their healthcare education programs, in 2013 the legislature prohibited the Texas Higher Education Coordinating Board (THECB) from authorizing private, foreign-based professional schools to operate in the state. Since then however, private, out-of-state medical schools periodically have applied to THECB for authorization to operate in the state, continuing to jeopardize the supply and availability of clerkships.

In most cases, THECB has little authority to restrict these schools under current statute. Occasionally, as was the case with Burrell College of Osteopathic Medicine and its agreement with Texas Tech Health Sciences Center El Paso, the for-profit medical school voluntarily agrees to certain restrictions to ensure adequate clerkship capacity remains. In the majority of cases, however, THECB is required to approve the authorization with little oversight and against the concerns and objections of Texas medical schools. Interest by private, out-of-state schools has been increasing in recent years, particularly in North Texas and East Texas, where new Texas medical schools (Sam Houston, University of Houston, and University of Texas Health East Texas) have plans to expand their own offerings for Texas students.

Solution

The proposed legislation would strengthen the process by which THECB grants authorization to private, out-of-state medical and other professional schools to operate in Texas.

For unaccredited, private, out-of-state professional schools (e.g, medical, dental, etc.) seeking a certificate of authority, THECB may issue the certificate only if THECB determines that:

the capacities and abilities of Texas (public and private) schools are insufficient to meet market demand;

the seeking institution has the necessary faculty and resources to ensure student success;

there is sufficient availability of clerkship sites; and

the seeking institution meets the same program approval standards as Texas institutions.

For accredited, private, out-of-state professional schools seeking a certificate of authorization, the legislation would clarify that THECB has an approval process (as opposed to the current "rubber stamp") and prohibit such schools from operating in Texas other than via the well-established State Authorization Reciprocity Agreement (SARA) that includes its own requirements that keep the operation of clerkships manageable.

The committee substitute replaces the originally filed bill with a Texas Legislative Council draft.

C.S.S.B. 1490 amends current law relating to the authority of the Texas Higher Education Coordinating Board to authorize certain degree programs offered by private postsecondary educational institutions.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to Texas Higher Education Coordinating Board is modified in SECTION 1 (Section 61.303, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 61.303, Education Code, as amended by S.B.1781, Acts of the 85th Legislature, Regular Session, 2017, by reenacting and amending Subsection (c) and adding Subsection (c-1), as follows:

(c) Authorizes the Texas Higher Education Coordinating Board (THECB), except as provided by Subsection (c-1), to approve the issuance of a certificate of authorization to grant degrees to an exempt institution or person, rather than to issue to an exempt institution or person a certificate of authorization to grant degrees. Authorizes THECB to adopt rules regarding a process to allow an exempt institution or person to apply and receive approval for, rather than apply for and receive, a certificate of authorization under Section 61.303 (Exemptions).

(c-1) Prohibits THECB from approving the issuance of a certificate of authorization for an exempt institution to grant a professional degree or to represent that credits earned in this state are applicable toward a professional degree if the institution is chartered in another state or has its principal office or primary educational program in another state unless the institution is an authorized institution operating under a State Authorization Reciprocity Agreement (SARA). Defines "professional degree."

SECTION 2. Amends Section 61.306, Education Code, by amending Subsections (a) and (c) and adding Subsections (c-1) and (d), as follows:

(a) Authorizes THECB, subject to Subsections (c) and (c-1), to issue a certificate of authority to grant a degree or degrees and to enroll students for courses which may be applicable toward a degree if it finds that the applicant meets the standard established by THECB for certification.

(c) Prohibits THECB from issuing a certificate of authority for a private postsecondary educational institution to grant a professional degree or to represent that credits earned in this state are applicable toward a professional degree if the institution is chartered in a foreign country or has its principal office or primary educational program in a foreign country.

(c-1) Authorizes THECB to issue a certificate of authority for a private postsecondary educational institution to grant a professional degree or to represent that credits earned in this state are applicable toward a professional degree only if THECB determines that:

(1) the capacity and ability of similar professional degree programs at institutions of higher education and private or independent institutions of higher education are insufficient to meet the state's current market needs;

(2) the institution seeking the certificate of authority:

(A) has the necessary faculty and other resources to ensure student success; and

(B) is subject to and agrees to meet the same standards for approval and all academic criteria applicable to similar professional degree programs offered by institutions of higher education and private or independent institutions of higher education; and

(3) sufficient placements are available to students for required field-based experience, such as clinicals or clerkships, for the proposed professional degree.

(d) Creates this subsection from existing text. Defines "institution of higher education," "private or independent institution of higher education," and "professional degree."

SECTION 3. Effective date: September 1, 2021.