

## **BILL ANALYSIS**

Senate Research Center  
87R2218 KJE-D

S.B. 702  
By: Paxton et al.  
Higher Education  
3/22/2021  
As Filed

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

The Prepaid Higher Education Tuition Board administers prepaid tuition and savings plans and programs created by the Education Code, Chapter 54, including the Texas Tomorrow Fund, Texas Tomorrow Fund II, Higher Education Savings Plan, Texas Achieving a Better Life Experience, and the Texas Save and Match Program. These tax-advantaged prepaid tuition and college savings plans allow individuals to prepay and save for college expenses.

The Prepaid Higher Education Tuition Board underwent a review from the Texas Sunset Advisory Commission in 2020-2021. S.B. 702 follows the Sunset Advisory Commission recommendations, continuing the Prepaid Higher Education Tuition Board for twelve (12) years, through September 1, 2033. Additionally, it amends provisions regarding board member training and complaint tracking, and authorizes the board to appoint advisory committees in rule, as necessary.

As proposed, S.B. 702 amends current law relating to the continuation and functions of the Prepaid Higher Education Tuition Board.

### **RULEMAKING AUTHORITY**

Rulemaking is expressly granted to the Prepaid Higher Education Tuition Board in SECTION 4 (Section 54.6181, Education Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 54.603, Education Code, as follows:

Sec. 54.603. SUNSET PROVISION. Provides that the Prepaid Higher Education Tuition Board (board) is subject to the Texas Sunset Act. Provides that unless continued in existence as provided by Chapter 325 (Sunset Law), Government Code, the board is abolished and the programs established under Subchapters F (Prepaid Higher Education Tuition Program), G (Higher Education Savings Plan), and H (Prepaid Tuition Unit Undergraduate Education Program: Texas Tomorrow Fund II) terminate September 1, 2033, rather than September 1, 2021.

SECTION 2. Amends Section 54.610, Education Code, by amending Subsection (b) and adding Subsection (d), as follows:

(b) Requires that the training program provide a person appointed to the board with information regarding:

(1) the law governing board operations, rather than enabling legislation that created the board;

(2) the programs, functions, rules, and budget of the board, rather than the programs operated by the board;

(3) the scope of and limitations on the rulemaking authority of the board, rather than the role and functions of the board;

(4) the results of the most recent formal audit of the board;

(5) the requirements of laws relating to open meetings, public information, administrative procedure, and disclosing conflicts of interest, and other laws applicable to members of a state policymaking body in performing their duties, rather than to Chapter 551 (Open Meetings), Government Code, Chapter 552 (Public Information), Government Code, the requirements of the conflict of interest laws, and other laws relating to public officials; and

(6) applicable ethics policies adopted by the board of the Texas Ethics Commission.

Deletes existing text requiring that the training program include information on the rules of the board, with an emphasis on the rules that relate to disciplinary and investigatory authority, and the current budget for the board.

(d) Requires the executive director of the board (executive director) to create a training manual that includes the information required by Subsection (b). Requires the executive director to distribute a copy of the training manual annually to each board member. Requires each board member to sign and submit to the executive director a statement acknowledging that the member received and has reviewed the training manual.

SECTION 3. Amends Section 54.617(e), Education Code, to require the board to periodically notify the complaint parties of the status of the complaint until final disposition unless the notice would jeopardize an investigation.

SECTION 4. Amends Subchapter F, Chapter 54, Education Code, by adding Section 54.6181, as follows:

Sec. 54.6181. ADVISORY COMMITTEES. (a) Authorizes the board by rule to establish advisory committees as determined necessary by the board.

(b) Provides that Chapter 2110 (State Agency Advisory Committees), Government Code, does not apply to an advisory committee created by the board.

SECTION 5. (a) Provides that Section 54.610 (Training of Board Members), Education Code, as amended by this Act, except as provided by Subsection (b) of this section, applies to a member of the board appointed before, on, or after the effective date of this Act.

(b) Provides that a member of the board who, before the effective date of this Act, completed the training program required by Section 54.610, Education Code, as that law existed before the effective date of this Act, is only required to complete additional training on the subjects added by this Act to the training program required by Section 54.610, Education Code. Prohibits a board member described by this subsection from voting, deliberating, or being counted as a member in attendance at a meeting of the board held on or after December 1, 2021, until the member completes the additional training.

SECTION 6. Effective date: September 1, 2021.