By: Zaffirini, Van de Putte, Watson

S.B. No. 1234

A BILL TO BE ENTITLED

1	AN ACT
2	relating to a master plan for higher education in this state.
3	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
4	SECTION 1. Subsections (a-1) and (a-2), Section 61.051,
5	Education Code, are amended to read as follows:
6	(a-1) To ensure that students enrolled at institutions of
7	higher education are sufficiently prepared to meet the challenges
8	associated with participation in the public affairs of the state
9	and in the global economy, the $[_The]$ board shall develop a
10	[five-year] master plan for higher education in this state <u>for a</u>
11	period of years determined by the board. The [five-year] plan must
12	[shall] take into account the resources of private <u>or independent</u>
13	institutions of higher education in this state <u>and must include:</u>
14	(1) reexamination of the purposes, needs, and goals of
15	higher education in this state;
16	(2) consideration of methods for defining the roles
17	and missions of institutions of higher education in a way that is
18	consistent with this state's needs and goals;
19	(3) consideration of more effective methods for
20	funding higher education;
21	(4) consideration of methods for establishing a
22	coherent long-term student financial aid strategy that takes into
23	account both student financial need and student achievement;
24	(5) recommendations for strengthening collaboration

1	between two-year and four-year institutions of higher education;
2	(6) recommendations for developing and reinforcing
3	long-term collaboration between and among primary, secondary, and
4	postsecondary educational institutions;
5	(7) consideration of:
6	(A) the state's current and needed allocation of
7	resources for medical education, including graduate medical
8	education;
9	(B) the current and needed geographic
10	distribution of those resources; and
11	(C) the value of associating a medical school
12	with a general academic teaching institution;
13	(8) in consultation with the state demographer and at
14	least one general academic teaching institution, medical and dental
15	unit, private or independent institution of higher education, and
16	public junior college, assessment of:
17	(A) the number of new faculty members needed to
18	achieve the goals of the master plan, and the academic disciplines
19	in which the new faculty members are or will be needed;
20	(B) the number of qualified persons available to
21	serve as faculty members in this state and throughout the nation and
22	the demand for the services of those persons in this state and
23	throughout the nation; and
24	(C) the capacity of public and private
25	institutions of higher education in this state to prepare persons
26	who are qualified to serve as faculty members at institutions in
27	this state and across a broad spectrum of academic disciplines;

1	(9) identification of appropriate incentives,
2	including concurrent enrollment and dual credit, and requirements
3	to facilitate seamless student transitions between and among high
4	schools, public junior colleges, public technical institutes,
5	public state colleges, general academic teaching institutions, and
6	medical and dental units;
7	(10) consideration of concerns regarding the current
8	and projected student enrollment and enrollment capacity of The
9	University of Texas at Austin and Texas A&M University and of
10	methods for ensuring that those institutions maintain
11	competitiveness with other public and private flagship
12	institutions of higher education;
13	(11) consideration of the value of creating additional
14	four-year flagship public research institutions of higher
15	education, including consideration of methods for:
16	(A) selecting the location of those
17	institutions; and
18	(B) ensuring that those institutions admit a
19	qualified and diverse student body;
20	(12) analysis of alternative methods of funding
21	institutions of higher education, with emphasis on the research
22	components of those institutions; and
23	(13) consideration of whether to add new components to
24	the TEXAS Grant program and other state financial aid programs for
25	higher education, including a component that specifically
26	addresses the needs of students at the preschool and primary and
27	secondary school levels, ensures that those students commit to and

1 succeed in postsecondary education, and includes a work-study 2 requirement.

(a-2) The board shall periodically review and revise the 3 [five-year] master plan developed under Subsection (a-1). As a 4 specific element of its review, the board shall identify and 5 6 analyze the degree to which the plan reflects the continuing higher education needs of this state, as well as any policy changes 7 necessary to improve overall implementation of the plan and the 8 9 fiscal impact of those changes. The board shall establish 10 procedures for monitoring the board's implementation of the plan, including an analysis of the degree to which its current activities 11 support implementation of the plan and any change in board rules or 12 13 practices necessary to improve implementation of the plan. The board shall identify additional strategies necessary to achieve the 14 15 goals of the plan, emphasizing implementation by institutions of 16 higher education and specific recommendations for the different regions of the state. The board shall notify each institution of 17 18 higher education of all strategies for implementing the plan.

SECTION 2. Subsections (a) and (i-1), Section 61.059,
 Education Code, are amended to read as follows:

(a) To finance a system of higher education and to secure an
equitable distribution of state funds deemed to be available for
higher education, the board shall perform the functions described
in this section. Funding policies shall:

(1) allocate resources efficiently and provide
incentives for programs of superior quality and for institutional
diversity;

(2) provide incentives for supporting the [five-year]
 master plan developed and revised under Section 61.051; and

3 (3) discourage unnecessary duplication of course
4 offerings between institutions and unnecessary construction on any
5 campus.

6 (i-1) Not later than January 1 of each odd-numbered year, 7 the board shall make and submit to the legislature findings and recommendations regarding the degree to which the current higher 8 9 education funding system, including formula funding and any other 10 transfers of legislative appropriations to institutions of higher 11 education, supports the implementation of the [five-year] master plan developed and revised under Section 61.051. The board may 12 include its findings and recommendations in the biennial report 13 submitted to the legislature under Section 61.051. 14 In its findings, the board must: 15

16 (1) identify funding incentives that would encourage 17 implementation of the [five-year] master plan by institutions of 18 higher education; and

(2) assess the accountability of institutions of
higher education with respect to legislative appropriations to
evaluate institutional allocation of financial resources in
accordance with the [five-year] master plan.

23 SECTION 3. This Act takes effect immediately if it receives 24 a vote of two-thirds of all the members elected to each house, as 25 provided by Section 39, Article III, Texas Constitution. If this 26 Act does not receive the vote necessary for immediate effect, this 27 Act takes effect September 1, 2007.

1	COMMITTEE AMENDMENT NO. 1
2	Amend S.B. No. 1234 (senate engrossment) as follows:
3	(1) In SECTION 1 of the bill, in added Subdivision (12),
4	Subsection (a-1), Section 61.051, Education Code (page 3, line 22),
5	strike " <u>and</u> ".
6	(2) In SECTION 1 of the bill, in added Subdivision (13),
7	Subsection (a-1), Section 61.051, Education Code (page 4, line 2),
8	between " <u>requirement</u> " and the period, insert the following:
9	; and
10	(14) consideration of:
11	(A) the effectiveness of existing family
12	asset-building programs related to higher education, including
13	individual college savings plans, prepaid tuition plans, and
14	universal children's savings accounts; and
15	(B) the degree to which such programs contribute
16	to each of the following in relation to study at a public or private
17	institution of higher education:
18	(i) increased student achievement;
19	(ii) readiness for higher education;
20	(iii) enrollment rates;
21	(iv) dropout prevention;
22	<pre>(v) overall student success and well-being;</pre>
23	and
24	(vi) reliance on student loans
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